



Chief Executive's Department
Civic Centre
HARTLEPOOL

28 May 2020

Councillors C Akers-Belcher, S Akers-Belcher, Black, Brewer, Brown, Buchan, Cartwright, Cassidy, Fleming, Hall, Hamilton, Harrison, Howson, Hunter, James, JKing, Lauderdale, Lindridge, Little, Loynes, Marshall, Moore, Prince, A Richardson, C Richardson, Smith, Stokell, Tennant, Thomas, Ward, Young.

Madam or Sir,

You are hereby summoned to attend the EXTRAORDINARY COUNCIL meeting to be held on WEDNESDAY, 10 JUNE 2020 at 5.30 p.m. in the Civic Centre, Hartlepool to consider the subjects set out in the attached agenda.

PLEASE NOTE: this will be a 'remote meeting', a public link to which will be available on the Hartlepool Borough Council website at least 24hrs before the meeting.

Yours faithfully

G Alexander
Chief Executive

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EXTRAORDINARY COUNCIL AGENDA



10 June 2020

at 5.30 pm

in the Civic Centre,
Victoria Road, Hartlepool

PLEASE NOTE: this will be a 'remote meeting', a public link to which will be available on the Hartlepool Borough Council website at least 24hrs before the meeting.

- (1) To receive apologies from absent Members;
- (2) To receive any declarations of interest from Members;
- (3) To deal with any business required by statute to be done before any other business;
- (4) To consider reports from the Council's Committees and to receive questions and answers on any of those reports;

Senior Management Restructure - Report of the Appointments Panel (Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for this item of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs I, II, III of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006

- (5) To receive the Chief Executive's report and to pass such resolutions thereon as may be deemed necessary;



EXTRAORDINARY COUNCIL

10 June 2020



Report of: Chief Executive

Subject: BUSINESS REPORT

1. COVID 19 UPDATE REPORT AND NEXT STEPS

- 1.1 On March 11th 2020, the World Health Organisation declared that Covid-19, a Coronavirus, was a Global Pandemic. On 20th March 2020, the Cleveland Local Resilience Forum (LRF), which the Council is part of, declared a Major Incident under the Civil Contingencies Act 2004. Under the Act, the Council is designated as a Category 1 Responder as detailed in the Council's Major Incident Plan.
- 1.2 In accordance with the Major Incident Plan a strategic and tactical command structure has been established to manage the response phase comprising a strategic co-ordinating group (SCG) and nine tactical workstreams:
- Schools and vulnerable children
 - Care Homes and support for vulnerable adults
 - Business support
 - Hardship and homelessness
 - Workforce and organisational impact
 - Neighborhoods and communities
 - Excess deaths and bereavement management
 - Resources and financial impact
 - Communications
- 1.3 On 23 March 2020, the UK Government announced the UK lockdown, limiting people's movements, which included working from home where possible.
- 1.4 The Council has responded swiftly to prevent the spread of the virus across Hartlepool, protect the vulnerable and keep our community running. CMT and

staff have pulled together to implement change at pace, overcome hurdles and we have learned a great deal along the way. There has also been a huge community effort as individuals and the voluntary and community sector and local businesses have collaborated to meet the needs of the isolated and vulnerable.

- 1.5 **Appendix 1** to this report provides a comprehensive report on the Council's emergency response in the first phase of the emergency and the issues we will need to address going forward.
- 1.6 The pandemic has had a profound impact on the daily lives of the people. The virus represents a deadly threat to the health of our nation and community. It has been necessary to introduce at speed significant restrictions on movement and association and economic activity. We have seen the closure of businesses and the loss of jobs and the lockdown has had a far reaching impact on the daily and commonplace activities that until now we have all taken for granted.
- 1.7 While the economic and social impacts of the pandemic are significant, the principal impacts are on the health and well-being of those it directly and indirectly affects. In Hartlepool, as of 28th May, we have seen 323 confirmed cases in hospital, care homes and the community. Tragically 94 people have lost their lives as a result of the virus. Each death is a tragedy. Those who have lost loved ones have done so in the most dreadful of circumstances. Our condolences go out to all those who have lost their lives, and to their families and loved ones.
- 1.8 Until May 12th Hartlepool had one of the lowest infection rates in the North East. However by May 22nd the Hartlepool rate had increased significantly over a short space of time to 342 per 100,000 – higher than 75% of the local authorities in England. This rate, within the context that the Covid-19 R rate for the North East (.80) being double that of London (.4), suggests that some regions, including the North East and Boroughs like Hartlepool are running a higher risk of a second wave of infection. There can be no room for complacency.

Next phase

- 1.9 We have reached a critical point in the emergency response phase as the lockdown is slowly released. However we are coming to terms with the fact that there will be no swift return to business as usual. We know that society will be different as a result of Covid19. We have now seen how vulnerable we are to pandemics and we will be dealing with this one until there is a vaccine. This will mean adjusting to a new normal as we move from a pre-vaccine to a post-vaccine society.
- 1.10 As we move into the next phase the Council will have a critical role to play in preventing and controlling local outbreaks. As we do this it will be critical to keep the public on board with our local response. There is growing recognition nationally that we will only beat the virus through strong local leadership and collaborative effort across communities. To this effect Councils have been charged with working with Public Health England to produce a local outbreak

control plan for their area by the end of June and to set out arrangements for working with partner agencies and local community organisations to prevent outbreaks in high risk areas and to contain any outbreaks that occur. The Health and Wellbeing Board will have a critical role in keeping partners and the community engaged and on board with our approach in Hartlepool. This will require re-setting the purpose and membership of the Health and Wellbeing Board to ensure it can fulfil this role.

- 1.11 In addition we will also have a critical role to play in shaping a recovery plan. The social and economic impacts of Covid-19 will be profound and far reaching. We are already seeing the hardship this is creating for many of our residents alongside the impact of the virus on the physical and mental health and wellbeing of our residents. Many people will be struggling to cope with, and make sense of, the way life has changed. Many families will be experiencing grief through loss of loved ones in very difficult circumstances. Some businesses will struggle to survive, others will have a slow restart and already struggling high streets and retail centres will be under further pressure. Despite the best effort of our schools there will be an inevitable impact on the education disadvantage gap and there will be growing pressure on children's services and adult social care. The economy will shrink, many businesses will fold, and unemployment will rise – along with poverty. However, there will also be new emerging sectors that we will need to attract and help grow.
- 1.12 It has never been more important for the council to provide strong collaborative leadership. This will involve continuing to support the vulnerable and provide ways of enabling people to tell their stories and commemorate what has been lost. It will also involve the development of an inclusive growth strategy which stimulates local wealth creation, strengthens local supply chains, attracts new investment in growth sectors and provides high quality skills pathways to enable local people to progress into jobs.
- 1.13 We will need to take on this role at a time when local government finances will be under severe pressure as we have to deal with ongoing Covid-19 related costs, loss of income and slow housing growth. Central Government has recognised the pressure and the contribution of local government during the emergency phase. To date Hartlepool has received an additional £5.963m to meet additional Covid-19 costs and sustain social care sector. However as detailed in **Appendix 1** there is a recognition nationally that this will be insufficient to meet the estimated funding shortfall in 2020/21 and beyond.
- 1.14 We have also been charged with targeting £18,761,500 in business support grants to stabilise our economy. In addition we received £1.864m to direct hardship support to those in receipt of Local Council Tax Support and to boost discretionary funds to assist individuals in greatest need. The emergency demanded that resources should be directed urgently in accordance with government guidance and the Civil Contingencies Act 2004 in order to build local resilience. The financial decisions taken under urgency powers to achieve this will be reported to Finance and Policy Committee on 29th June 2020.

- 1.15 As detailed in **Appendix 1** the pressure on local government finance will be significant going forward. Initial estimates for Hartlepool indicate that we could be facing a £6m shortfall over two years as a result of increased pressures, loss of income and Covid-19 direct costs. Without further additional funding Councils, including Hartlepool, will struggle to sustain services that were already being severely challenged as a result of nine years of austerity and which will undermine our capacity to provide the local leadership that will be required to shape a post Covid-19 future for the Borough. Councils, including Hartlepool, are actively working through the LGA to ensure the Treasury is sighted on the financial challenges the sector faces.

Recovery Plan and Budget

- 1.16 Taking account of the significant challenges the virus has created it will be important over the next few weeks to undertake a consultation exercise to reflect on lessons learnt, the emerging issues in the Borough and to help shape a three year recovery plan and budget. We have now been able to roll out the network and IT capacity to enable meetings to be held remotely and it is proposed to re-start meetings of Council with a specific focus on shaping a recovery plan and budget in response to the crisis.
- 1.17 To achieve this we are proposing over June and July to hold 'Teams' discussions with key stakeholders to inform Members in considering the recovery plan and budget as part of the budget setting process for 2021/2022 – 2024/205. Key stakeholders include:
- Elected members
 - Our workforce
 - The voluntary and community sector
 - Faith communities
 - Partner agencies
 - Business community
- 1.18 The outcome of this consultation and analysis will inform the budget and planning process of the Council over the autumn. Details of the proposed approach to meetings of Council are contained in section 8 of this report.

Recommendations

It is recommended that Members:

- i) Receive and note the comprehensive report attached at **Appendix 1** on the Council's emergency response to the Covid-19 and emerging priorities for the next phase.
- ii) Approve the proposed approach to the development of a recovery plan and budget for 2021/22 – 2024/25

iii) Note that the decisions related to the emergency response to the Covid-19 crisis under Urgency Powers will be reported to the next meeting of Finance and Policy Committee to be held on 29 June 2020.

iv) Approve the proposal to review and re-set the terms of reference and membership of the Health and Wellbeing Board to undertake the functions of engaging stakeholders and the wider community in the ongoing response to preventing and containing local outbreaks of Covid-19 and in tackling the wider physical and mental health impacts of the virus.

2. PAY POLICY 2020/2021

2.1 Under Section 38 of the Localism Act 2011, Full Council has to approve a Pay Policy Statement (PPS) on an annual basis. Due to Covid-19 and the March meeting being cancelled, Members were asked to approve the policy by email. For the sake of completeness, the Pay Policy Statement for 2020/21 is attached at **Appendix 2**. The document has been updated and includes a change in paragraph 10.1. Restricting access to employment within the Council for those in receipt of a public sector pension could be potentially discriminatory on age grounds. The change of wording makes the Pay Policy clearer, fairer and lawful in this respect.

2.2 The updated Pay Policy document had been included on the agenda for consideration at the March meeting of Full Council which was postponed. All Elected Members were subsequently consulted to determine if they were agreeable to the revised document. The majority of Elected Members had no views or expressed support for the revised document. Therefore, following discussion with the Monitoring Officer, arrangements were made for the document to be published.

3. ADDITIONS TO CAPITAL PROGRAMME

3.1 Council has previously approved Prudential Borrowing of £15.395m to match fund external capital funding. Council noted that repayment and interest costs will be funded from recurring budget savings, including an Employer's Pension contribution reduction and removal of Ward Member Budgets. This amount was approved in two stages:

- £13.395m was approved by Council on 9th December 2019;
- £2.000m was approved by Council on 20th February 2020.

3.2 Prior to the Covid-19 lock down the Director of Finance and Policy had explored alternative sources of borrowing, with the objective of securing lower interest rates than provided by the Public Works Loan Board (PWLb). Whilst, it has not been possible to complete this work owing to the lock down, three funders had indicated they were impressed with the Council's investment plans and would be coming forward with funding offers which would provide lower interest rates than the PWLB, as specified by the Council. The formal offers have been delayed owing to the economic shock caused by Covid-19.

- 3.3 Since that time the Government has indicated their intention to review PWLB lending arrangements and this review has also been delayed due to Covid-19.
- 3.4 The Medium Term Financial Strategy included a provision to meet the cost of PWLB interest rates prevailing at the time and provided a total budget for interest and loan repayment costs of £676,000. It is anticipated that lower interest rates will be achieved, either from work completed with external funder, or a potential reduction PWLB interest rates.
- 3.5 This should provide a recurring reduction in costs of £50,000, which would support additional Prudential Borrowing of £1.0m. It is proposed that this amount is allocated to support the following additional capital investment:
- **£0.6m - Stranton Cemetery Flood Alleviation scheme.** A trial scheme was completed around 18 months ago, although assessing the effectiveness of these works was delayed as the first winter after installation was not wet enough and the effectiveness could not be tested until Autumn 2019;
 - **£0.4m – Urgent asset management issues.** This is an initial estimate and the final value of the improvements will depend on the operational life of the works complete. This will enable urgent asset management priorities to be addressed in Council buildings to prevent the closure of key facilities, for example Carlton Adventure centre.

Recommendations

It is recommended that Council:

- i) Approves an increase in Prudential Borrowing of £1m, to be repaid from forecast interest rates savings;
- ii) Allocates £0.6m for the Stranton Cemetery Flood Alleviation scheme and £0.4m to tackle urgent asset management issues to prevent closure of facilities for example Carlton Adventure Centre;
- iii) Delegate authority to the Finance and Policy Committee to approve the detailed asset management priorities to be addressed including Carlton Adventure Centre.

4. HOUSING REVENUE ACCOUNT (HRA)

- 4.1 As determined by Council on 20th February the following issues were referred back to Finance and Policy Committee and were considered on 9th March 2020:
- Potential rent levels and the impact on the level of Housing Revenue Account (HRA) capital investment;

- Future potential section 106 contributions and the impact on future HRA capital investment;
- The provision of bungalows for families within the HRA;
- Student accommodation options; and
- To determine proposals to be referred to Council for consideration and approval.

4.2 Finance and Policy Committee approved the following recommendations for referral to Council

1. *That a 2020/21 rent increase of 1.7% providing prudential borrowing of £682,000 and a forecast Homes England grant of £420,000 and 11 new properties be recommended to Council.*
2. *The Committee noted that implementation of any proposed 2020/21 rent increase would be effective from 1st May 2020 as a months' notice will need to be provided after Council makes a final decision on 19th March 2020;*
3. *The Committee noted that if additional section 106 contributions were achieved and rents were increased by 2.7% per year this will maximise the increase in the number of properties added to the HRA;*
4. *The Committee noted that if additional section 106 contributions were achieved this may offset the number of properties foregone from having lower rent increases than 2.7%, although the total number of houses would be less than could be achieved under decision 3;*
5. *The Committee noted that approval of a 2.7% recent increase for 2020/21 will deliver 18 properties and the viability of bungalows for families within this figure will be assessed as the detailed developments are progress. The Committee also noted that the potential to increase bungalow provision for families in future years will depend on future rent increases and this issues would be considered on a site by site basis to determine financial viability.*
6. *The Committee noted that Student Accommodation operated outside the HRA as a General Funding self-funded trading account;*
7. *The Committee noted there currently was no shortfall in student accommodation and it was recommended, therefore, that a strategic planning alliance is established between the colleges to monitor the situation and student accommodation be included as part of the town centre master planning within the context of the Town Deal. If there was a future demand for additional student accommodation a full option appraisal would need to be completed.*

4.3 On 12th March 2020 the Public Works Loan Board (PWLb) reversed a previous increase in interest rates for HRA borrowing and reduced interest rates by 1%. This reduction does not currently apply to General Fund borrowing e.g. for schemes such as the new leisure facility.

- 4.4 The Business Model for the HRA has been updated to reflect the interest rate reduction and this provide an additional option not previously available to invest in more housing units and have a rent freeze.

Recommendations

It is recommended that Members:

- i) Since the HRA update was considered by Finance and Policy Committee on 9th March 2020 the PWLB interest rate for HRA borrowing has been reduced by 1%. Therefore, Council is requested to approve either a 2020/21 rent freeze and approve the resulting borrowing and total capital investment limits as set out in the following table:

	Rent Freeze
Number of properties	13 to 19
Borrowing	£0.973m
Homes England grant	£0.493m to £0.720m
Total Capital Investment	£1.466m to £1.693m

- ii) Note the above investment levels will be subject to securing Homes England grant.
- iii) To note that if additional section 106 contributions are achieved this will maximise the increase in the number of properties added to the HRA;
- iv) To note there currently is no shortfall in student accommodation and it was recommended, therefore, that a strategic planning alliance is established between the colleges to monitor the situation and student accommodation be included as part of the town centre master planning within the context of the Town Deal. If there was a future demand for additional student accommodation a full option appraisal would need to be completed.

5. COUNCIL MEETINGS

- 5.1 Due to the Coronavirus outbreak Hartlepool Borough Council had to take the unprecedented step of either cancelling or postponing all Full Council, committees, boards and panel meetings.
- 5.2 The Coronavirus Act 2020, which received royal assent on 25 March 2020, contained provision for the Secretary of State to implement provisions by

regulation relating to, amongst other things, the postponement of Annual Council and the ability of Members to 'attend' meetings remotely and to vote on items of business.

- 5.3 Regulations introducing these provisions 'The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020' (the 'Regulations') were enacted on 4 April 2020.
- 5.4 As a result of this legislation, we are now able to hold 'remote' meetings using Microsoft Teams. Socially distanced meetings have also been considered and whilst this may be an option for smaller meetings, it would not be possible for meetings of Full Council as venues such as the Borough Hall, do not have a conference mic system.
- 5.5 It is proposed that where we do hold 'remote' meetings we only do so where the issues to be considered require a 'decision.' Any other issue that would usually be the subject of 'for information' or 'to note' reports, will now be circulated to Elected Members by email or post.

Full Council

- 5.7 In terms of meetings of Full Council, the Constitution requires the approval of Full Council. Again only items which require a decision will be taken.

Council is therefore asked to approve the following:

17 September
17 December
25 February 2021
25 May 2021 Annual

- 5.8 Dates for meetings of Finance and Policy Committee will be arranged to feed in to the above Full Council meetings. All other committees will be arranged in consultation with the Chair where decisions are required.

Annual Council

- 5.9 Under the new Regulations, the requirement for councils to hold an Annual Meeting has been relaxed until 7 May 2021. Consequently I will not be convening an Annual Council meeting and all appointments will, therefore, carry over until the next Annual Council meeting in May 2021.

Other meetings

- 5.10 As mentioned in section 1 above as we move into the next phase of the response, there is a requirement for Local Authorities to have in place, by the end of June 2020, an Outbreak Control Plan (OCP). The Plan is

to focus on prevention and planning for possible future outbreaks in settings across Hartlepool, including care homes, schools and work places to name just a few and its implementation is to be developed by a newly created Outbreak Control Team (OCT) which will operate as part of the Council's Strategic Co-ordinating Group (SCG). Both the OCP and OCT are now in the process of being established.

- 5.11 In recognition of the importance of communication and accountability Local Authorities are progressing to establish a public facing Local Outbreak Engagement Boards which will co-ordinate collaborative effort in developing and implementing Local Outbreak Plans and monitor impact. This is an important role for the Health and Wellbeing Board and Full Council is asked to approve that the Health and Wellbeing Board should review and if necessary amend the function and membership of the Health and Wellbeing Board to enable it to carry out this important function.

6. COMMUNITY GOVERNANCE REVIEW

- 6.1 Elected members are requested to note that the Council has received two valid community governance petitions. The petitions have been received as follows:
- Residents of Wynyard have proposed that Wynyard be removed from Elwick Parish Council and that a stand-alone Wynyard Parish Council (Hartlepool) be established.
 - Residents of South Fens have proposed that South Fens be removed from Greatham Parish Council but without an alternative Parish Council being established.
- 6.2 Upon receipt of valid petitions (which include the signatures of 250 electors from the Parish) the Council must, as a matter of law undertake a community governance review. In order to undertake these reviews working groups will need to be established to agree upon and publish terms of reference and thereafter undertake the reviews.
- 6.3 Reports in respect of these reviews will be prepared and submitted to Full Council. Community governance reviews must be completed within 12 months from the date of publication of the terms of reference.

7. RESIGNATION OF COUNCILLOR

- 7.1 Council may be aware of the resignation of Ann Johnson as a Borough Councillor for the Hart Ward. The resignation was received on 28 May 2020.
- 7.2 The vacancy arising through this resignation will be held until the day of the ordinary election in 2021 in accordance with Regulation 5 of the Local Government and Police and Crime Commissioner (Coronavirus) (Postponement of Elections and Referendums) (England and Wales) Regulations 2020, unless new legislation is laid in relation to by-elections. The Council now has two vacant seats.

7.3 Arising from the resignation, there are the following vacancies:-

Constitution Committee
Licensing Committee and therefore Licensing Sub Committee (3) and
Regulatory Sub Committee (1)
North and Coastal Community Forum

8. VACANCIES

8.1 Members will be aware from previous meetings of the following vacancies:

Committee Vacancies/Outside Body Vacancies:

South and Central – Chair and Vice Chair following David Mincher's resignation from the Council and Councillor Cartwright's resignation as a Chair.

Hartlepool and District Sports Council – 1 vacancy previously David Mincher
Teessmouth Field Centre – 1 vacancy
Victoria and Jubilee Homes – 1 vacancy
Teesside Environmental Trust – 1 vacancy
Teesside Pension Fund – 1 vacancy
Teesside Pension Board – 1 vacancy
Durham, Dton, Teesside STP Jt Health Scr Committee

Nominations are sought.

9. CONSIDERATION OF SANCTIONS AGAINST COUNCILLOR TONY RICHARDSON – REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE

9.1 Following the receipt of a complaint about Councillor Tony Richardson and a subsequent investigation, the Audit and Governance Committee conducted a hearing on 22 January 2020. The outcomes of the Audit and Governance Committee's hearing were reported to Full council on 20 February 2020 along with a request that additional sanctions be considered. Full Council agreed that consideration of these additional sanctions should be deferred pending receipt of an independent review regarding the appropriateness of the procedures that had been followed and an opinion upon the merits of awaiting the outcome of a related investigation being undertaken by Cleveland Police.

9.2 This review has now been undertaken and the opinion of leading counsel is attached at **Appendix 3**. Counsel's review and opinion is based upon the following established facts:

- That Hartlepool Borough Council's Audit and Governance Committee were charged with determining a complaint that had been made in respect of the Council's Code of Conduct and not whether a criminal offence had been committed.

- The legal tests to be applied when considering a breach of a code of conduct and a criminal offence are very different.
- This breach of code was entirely and unequivocally accepted by Councillor Tony Richardson.
- The burden of proof and whether or not it is to the civil or criminal standard is immaterial for the purpose of this complaint. Councillor Tony Richardson accepted that he had shared the posts that were complained of and this acceptance would have been sufficient to satisfy either burden. Whether or not a fact is proved to either standard of proof is however only pertinent insofar as it relates to the elements of the breach/offence under consideration.
- The outcome of Audit and Governance Committee has been passed to Cleveland Police who have confirmed (in writing on 17/01/20 and again verbally on 05/03/20) that they have no reason to object to the Council dealing with its complaint in accordance with its procedures.

9.3 With due regard to this independent opinion, Full Council is now asked to consider the following recommendations made by the Audit and Governance Committee:

- That Full Council notes the findings and recommendations arising from the hearing that took place on 22 January 2020;
- That Full Council terminates the membership of Councillor Tony Richardson on the Licensing, Planning and Local Joint Consultative Committees, in accordance with the expressed wishes of the Coalition;
- That Full Council resolves that Councillor Tony Richardson shall not be appointed as a member of any committee for the remainder of his current term of office and shall discourage any member from designating him as a substitute for them on any other committee;
- That Full Council resolves that Councillor Tony Richardson consider resigning as an elected member of Hartlepool Borough Council.
- That Full Council considers censure of Councillor Tony Richardson and issues the following formal statement:

“Hartlepool Borough Council is pleased to note that Councillor Tony Richardson accepts that he has breached the Council’s Code of Conduct and that he has apologised for doing so. The promotion of racist and offensive material in any forum falls well below the standards expected of those in public life and such actions cannot and will not be tolerated. The actions of Councillor Tony Richardson are not representative of this Authority or the communities that it represents and as such the Authority has worked to impose the most appropriate and stringent sanctions that are available in law.”

EXTRAORDINARY COUNCIL

10 June 2020



Report of: Chief Executive

Subject: BUSINESS REPORT

1. COVID 19 UPDATE REPORT - APPENDIX 1



The COVID-19 Pandemic in Hartlepool - Report of the First Phase Response



Introduction

On March 11th 2020, the World Health Organisation declared that COVID-19, a Coronavirus, was a Global Pandemic. On March 20th 2020, the Cleveland Local Resilience Forum (LRF), which the Council is part of, declared a Major Incident under the Civil Contingencies Act 2004. Under the Act, the Council is designated as a Category 1 Responder as detailed in the Council's Major Incident Plan.

In accordance with the Major Incident Plan, a strategic and tactical command structure has been established to manage the response phase comprising a strategic co-ordinating group (SCG) and nine tactical workstreams:

- Schools and vulnerable children
- Care Homes and support for vulnerable adults
- Business support
- Hardship and homelessness
- Workforce and organisational impact
- Neighbourhoods and communities
- Excess deaths and bereavement management
- Resources and financial impact
- Communications

On March 23rd 2020, the Prime Minister announced the UK lockdown, limiting people's movements, which included working from home where possible.

This had a significant impact on Council services, with an immediate suspension of some frontline operations, a reduction in the service model for others and a change in operating procedures for all services.

Impact of the virus and our response

The pandemic has had a profound impact on the daily lives of people. Coronavirus represents a deadly threat to the health of our nation and community. It has been necessary to introduce at speed significant restrictions on movement and association and economic activity. We have seen the closure of businesses and the loss of jobs and the lockdown has had a far reaching impact on daily and commonplace activities that until now we have all taken for granted.

While the economic and social impacts of the pandemic are significant, the principal impacts are on the health and well-being of those it directly and indirectly affects.

In Hartlepool, as of 28th May, we have seen 323 confirmed cases in hospital, care homes and the community. Tragically 94 people have lost their lives as a result of the virus in a very short space of time. Until May 12 Hartlepool had one of the lowest infection rates in the North East. However by May 22nd the Hartlepool rate had increased significantly over a short space of time to 342 per 100,000 – higher than 75% of the local authorities in England. This rapid increase was one of the highest in the whole of England. Although there have been signs that this rapid phase has decreased in recent days it is clear that the situation is fragile. Hartlepool's infection rate, within the context that the COVID-19 R rate for the North East (.80) being double that of London (.4), suggests that we have not reached our peak in Hartlepool and there can be no room for complacency.

Each death is a tragedy. Those who have lost loved ones have done so in the most dreadful of circumstances. Our condolences go out to all those who have lost their lives, and to their families and loved ones.

Emergency Response Phase

Local Government, the NHS and social care providers have been central to the national and local emergency response. The Council has worked closely and tirelessly with the NHS and a range of other partners to mitigate the effects of the pandemic and put in place guidance for residents and businesses to protect them from further harm. It has been inspiring to see how Council staff, our partners and our community have come together to stop the spread of the virus, protect the vulnerable and keep our community running.

Sustaining the delivery of critical services

In the week in which WHO declared a Global pandemic, the Council undertook a major review of our business continuity plans to identify those services that are critical to our emergency response and to keeping our communities running. We revised our operating procedures to ensure they complied with NHS and Public Health England guidance and we put the necessary IT arrangements in place to ensure as many staff as possible could work from home. This resulted in some services being stopped or reduced, some staff being re-deployed into critical areas and all services making adjustments to the way they operate. By the end of the first week of lockdown we had enabled 40% of our workforce to work from home, introduced social distancing measures in all offices, and provided safe operating procedures for frontline services from safeguarding and home care services to kerb-side collections. We had also begun a proactive communication and messaging campaign to keep our residents, staff and members informed about service changes and to encourage people to comply with the regulations.

Supporting the most vulnerable

Hartlepool Support Hub

In addition to maintaining business critical services we also worked quickly to set up new services and arrangements to ensure we could support the most vulnerable in the Borough and those at the greatest risk from the COVID-19 crisis. We acted swiftly to commission additional provision to ensure rough sleepers and the homeless could be accommodated and off the streets, we developed integrated discharge arrangements operating from 8am – 8pm seven days a week and provided support and advice to social care providers.





In the space of a few days we created the Hartlepool Support Hub and helpline for those who are 'shielding' or self-isolating and in need of food, medicine, other supplies and emotional support. Based at Community Hub Central and with a warehousing point at Mill House Leisure Centre, the Support Hub is staffed by people from across the Council whose usual day jobs are very different from the vital work they're currently doing. Staff working in the Support Hub include librarians, instructors from Carlton Adventure and leisure centres, reception staff from Mill House Leisure Centre, legal assistants and Youth Services staff to name but a few. Staff have very quickly adapted to their new roles and are happy to do whatever is needed to help people through the crisis.

We were the only Council regionally to leaflet every household at the start of the crisis to raise awareness about the role of the Hub. This has proved invaluable in making sure as many people as possible know who to contact for help. By May 28th, we were in contact with 7,825 residents, had provided 1,830 food parcels and delivered 1,407 prescriptions and 2,142 hot meals as well as putting people in touch with befrienders and other services that can offer support.



People who have been supported by the Hub have been incredibly appreciative of the support they've received. This is just a small sample of the comments received:

- "Knowing that support was there has helped me so much and made me so happy! So thank you!"
- "I've got my delivery, thank you so very much, you have no idea what you've done for me, you are life savers, thank you, thank you, thank you."
- "We can't thank you all enough for your fantastic service and help to us, especially the phone call which came at a time when I was feeling really low. We are new to the area... we cannot believe the help that we have received."
- "Your help has been amazing, I cannot thank you enough! And thank you for the continuing help also, it's so refreshing to have some help, thank you! The work you guys are doing is amazing!"

Role of the voluntary, community and local business sector

The COVID-19 crisis has demonstrated beyond doubt that Hartlepool has a big heart. The goodwill of the people of the Borough who want to support our most vulnerable residents has been phenomenal. The Council, through the Support Hub, has played an important role in harnessing this good will and has worked with a range of different voluntary and community organisations and local businesses to ensure people can access the support they need, including the provision of food, hot meals and neighbourly support. By the end of the first month the Council had over 150

volunteers who were signed up with DBS and identity checks and worked with Hartlepower to launch the Hartleneighbour scheme to support people who are socially isolating and those experiencing loneliness. We are immensely grateful to the community and voluntary sector and some of our businesses who have stepped in to help deal with the social impact of the crisis including Hartlepool Carers, Poolie Time Exchange, Hartlepool Foodbank, St Aidan's, Hartlepool Mecca Bingo, Social Prescribers, Hartlepool United Football Club, Hartlepool College of Further Education, Harbour and Hartlepool's Dementia Friends.



While the majority of the Council's Preventative & Community Based Services have been unable to operate, work has continued to encourage participation in activity, through sessions streamed on social media. Mill House Leisure Centre has become the logistics hub co-ordinating delivery of PPE and hot meals and many staff have been redeployed from their usual roles to support the essential work of the Support Hub.

Adult Social Care

Adult social care services have been maintained throughout the pandemic. The Integrated Discharge Team and intermediate care services have been managing increased demand as they have responded to new national guidance requiring discharges to take place within 2 hours. Teams have been working weekends and extended hours in order to support safe and timely discharges and the success of this approach has been greatly helped by existing integrated arrangements and a partnership approach with health colleagues. The day services at the Centre for Independent Living has continued to operate, with staff supporting a smaller number of people with learning disabilities and complex needs, and people who have not been able to access their usual services are being supported through regular telephone or skype contact by the social care teams. A number of people are also being supported with delivery of hot meals from the Support Hub and additional care and support in their own homes. Work has been undertaken to raise awareness of COVID-19 related scams which may impact particularly on the elderly and those living alone and safeguarding services have been maintained throughout.

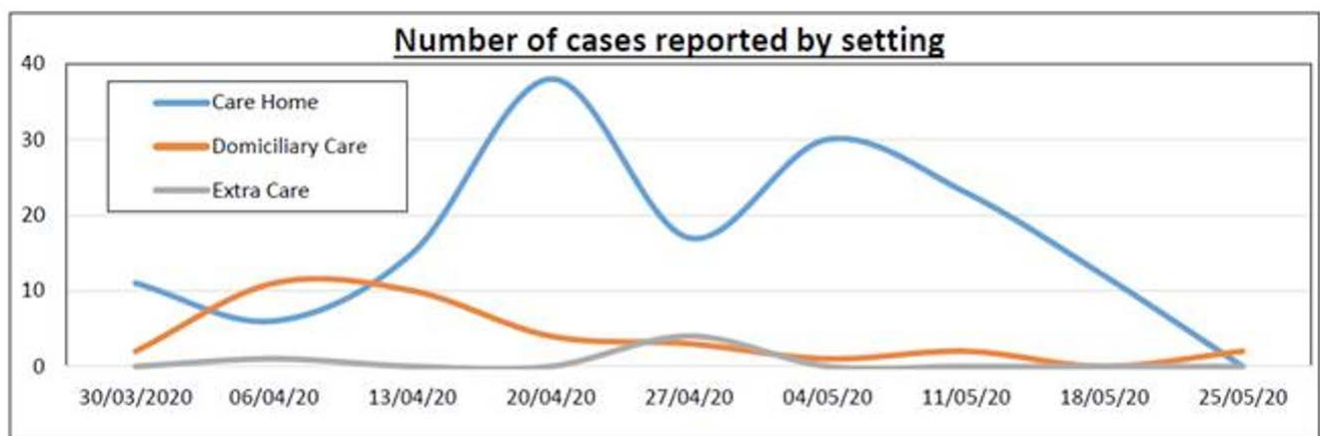
Care Homes

The impact of COVID-19 on care providers, particularly care homes that support older people, has been significant with 50% of care homes in Hartlepool having confirmed cases. Throughout the pandemic the Council has been in daily contact with care providers and a range of support has been in place, including supplies of PPE, advice and guidance and additional funding for care homes for older people. Through this route the Council has had daily updates on suspected and confirmed cases, testing of residents and staff, staffing levels and any other challenges that providers have faced and has been able to respond quickly to requests for additional support. The Council has also worked collaboratively with the CCG, NT&HFT and TEWV FT to support care homes to access testing, additional clinical input and enhanced training on infection prevention and control that is specific to the current circumstances.

At the peak of the pandemic, some care homes had approximately 50% of their staff self-isolating due to being symptomatic or having tested positive and in one week there were 42 cases confirmed and, tragically 12 deaths reported. This was clearly incredibly challenging to manage, but the response from care providers has been really heartening to see, and they have shown huge commitment and compassion throughout the COVID-19 response.



As shown in the graph below, the number of cases in adult social care settings peaked between 20 April 2020 and 4 May 2020 and has reduced steadily since then with no new cases reported in care homes since 25 May 2020. This indicates that the support being provided is having a positive impact and that the sector has managed the outbreaks effectively and minimised further spread.



Care home providers have valued the support they have received from the Council, with feedback as follows:

- “The Council has been extremely supportive throughout this uncertain time. They’ve been available to monitor that our customers and colleagues are safe, offered a caring approach throughout and have delivered PPE (within hours!) which highlights that they take service level need extremely seriously and are on hand to help with any queries. This gives the service confidence that we are, and will continue to be, supported throughout this. Thank you.”
- “We feel that the team has been very supportive in this difficult time. We have received daily telephone calls asking us how we are and if we need support. Valuable PPE has been sourced and delivered to us. We feel that we are not on our own dealing with this pandemic for which we are very grateful.”

Schools and vulnerable children

Throughout the crisis all schools and academies worked collaboratively with the Council to keep all schools open for key workers and vulnerable children and, prior to the roll out of the national voucher system, to ensure that those entitled to free school meals could receive a meal a day. Schools in Hartlepool remained open during the Easter holidays to maintain continuity. In addition teachers have worked tirelessly to provide education online and to maintain contact with pupils and their parents.

Following the Prime Minister's announcement on May 10th that, if the circumstances were right, primary schools would re-open on June 1st, Head teachers have worked with the Council to assess the risks and develop a borough-wide plan for the further and phased re-opening of schools. A joint decision was taken based on the infection rate in Hartlepool and the organisational challenges of ensuring schools could provide a COVID-safe environment in a very short timescale. It was concluded that primary schools and academies in Hartlepool would not open further on June 1st. Work is continuing with schools and academies to review risk assessments and agree plans for the careful and phased re-opening of schools and academies.

Children's social services have re-adjusted working arrangements including introducing remote visits and meetings with vulnerable children and their parents to maintain safeguarding contact with vulnerable children. In addition a borough-wide campaign was undertaken to raise awareness of the children's hub contact details for anyone with a cause for concern about a child. Children's social care services have continued to experience a steady level of demand and seen an increase in the number of children in care as we have ensured that young people have not left care inappropriately at this worrying time. Contingency plans have been put in place to increase the number of foster carers.

Workforce deployment, welfare and protection

The response of our staff and key workers in our partner agencies and commissioned services across the borough has been inspiring.

As at 22 May, 14.6% of our workforce were at home as a result of COVID-19 symptoms or needing to shield or self-isolate because they, or a member of their household, have an underlying health condition. However the vast majority have been able to continue duties from home, with only 2.7% being unable to work. These numbers vary, however, and maintaining essential services as we continue to manage the crisis will be a key challenge.



Staff have had to respond flexibly to change. We mobilised resources to enable 40% of our workforce to work from home by the end of the first week. Many members of staff have had to adjust quickly to working from home and have kept our back office functions operating smoothly. Others have been redeployed into new and different services to maintain frontline delivery including the Support Hub, cemeteries and crematoria, and waste and environmental services. All this has demanded great resilience, commitment and support from the workforce, as well as appropriate training. The assistance of our trade unions in this process has been invaluable.

The welfare of key workers in the Council and in our commissioned social care provision has been a key priority. On this, the inability of the Government to provide adequate supplies of PPE to those that need it compounded the already challenging circumstances key workers were operating under. It became clear in the first stages of the crisis that we could not rely on the national supply that was being co-ordinated through the LRF. We therefore set up our own alternative supply chain and approximately 70% of the supply of PPE to those in need of it has been provided by the Council. At the height of the PPE challenges we were grateful to the secondary schools and colleges in Hartlepool that used their 3D printing capacity to produce visors and to businesses who donated face masks. Maintaining adequate supplies of PPE will be an on-going challenge as we progress through the crisis.

Neighbourhoods and community services

In the early days of the COVID-19 pandemic, Regeneration and Neighbourhoods prioritised all services in line with Government guidance, which meant that services either continued operating as normal, were reduced to emergency responses only, or were temporarily ceased. This prioritisation exercise enabled us to maintain those critical core functions, such as residual and recycling collections, operating the crematorium, delivering key services to schools such as catering and transport, maintaining fleet, planning and business compliance visits. However, in some cases employees were redeployed from their existing teams into those aforementioned service areas, as well as others within the Council, in order to deliver our critical functions, while also supporting our most vulnerable residents during the early days of the crisis.

Service provision, available resources and Government guidance were continually monitored, and gradually we have increased the service offer back to the level of normality that would be expected to see for a front line department such as Regeneration and Neighbourhoods. However the 'new' normal looks very much different, with new operating procedures introduced and staff having to adapt to these new ways of working, as new challenges are identified and continually overcome.

As lockdown restrictions are released, and businesses start to reopen, services are now looking at ways in which we can support businesses through the provision of advice, guidance leaflets, temporary signage, and introduce measures to promote safer green and urban spaces for example by increasing the widths of footpaths, introducing temporary cycle ways and promoting social distancing requirements.

Supporting our Businesses

As in the rest of the country, businesses in Hartlepool have been severely affected by the economic impact of lockdown. Many, including pubs, restaurants and non-food shops have temporarily closed, whilst others such as manufacturing, construction, travel and education sectors have been severely disrupted. Professional services have largely moved to home working, but many are seeing a reduction in demand. It is clear that as the lockdown is released many businesses will struggle to survive given the constraints of social distancing whilst others will see a slow return.

In response to this the Government released a range of fiscal measures to stabilise the situation. Local government has been used as a conduit to pass on funding to eligible businesses in relation to two major schemes: Small Business Grant Fund (SBGF) and Retail, Hospitality and Leisure Grant Fund (RHLG)

The Government defined the eligibility criteria, which included the following key aspects:

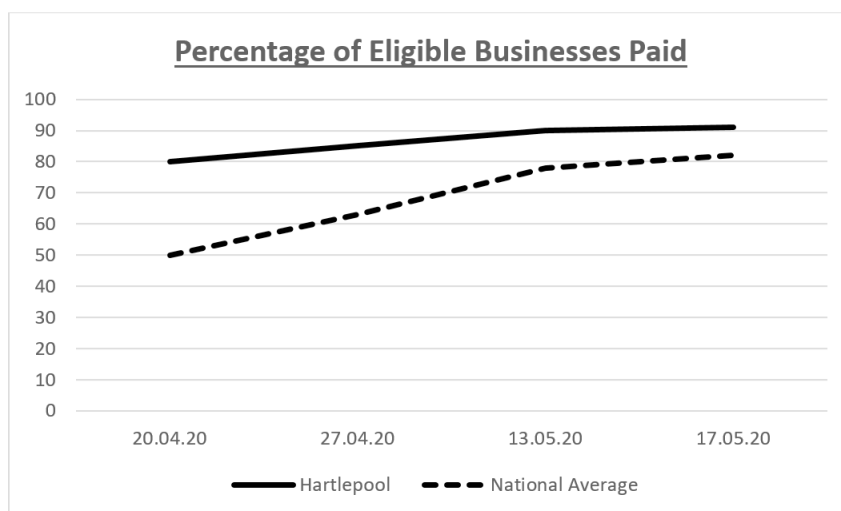
- SBGF – all businesses in receipt of either Small Business Rates Relief or Rural Rates Relief as at 11 March 2020 will be eligible for a grant of £10,000;
- RHLG – eligible business with a rateable value up to and including £15,000 will be eligible for a grant of £10,000; eligible business with a rateable value of over and less than £51,000 will be eligible for a grant of £25,000. Business had to be operating on 11 March. No grant was payable for businesses with a rateable value of £51,000 or over.

The Council acted quickly to pay these grants to Hartlepool businesses and as summarised below the Council's performance has consistently exceeded the national average. This was particularly the case at 20th April when the Council ranked 13th out of 314 Councils and had paid out 80% of eligible grants, compared to an average of 50%.

As at 21st May 2020 the Council had paid 91% of eligible business (1,455) a total of £17.885m.

Following on from the Government funded grant support provided to businesses under the SBGF the RHLGF the Government is now also providing Councils with funding to support a "Discretionary Grant Fund". This new fund is aimed at small businesses and charities – i.e. with less than 50 employees – not eligible for the SBGF or RHLGF.

The new fund is designed to help meet ongoing fixed property-related costs i.e. rent and mortgage payments and to support business which can demonstrate they have suffered a significant fall in income due to the COVID-19 pandemic.



Hartlepool has been allocated £876,500. Councils can pay grant to the value of £25,000, £10,000 or any amount under £10,000. Grant cannot be between £10,000 and £25,000. Given the limited value of available funding the local scheme will set a maximum potential grant of £10,000 – the same value as the other Tees Valley Councils. However the actual maximum grant may be lower depending on the number of businesses which apply for this grant.

To ensure all eligible businesses have the same opportunity to secure this funding the Council will operate an application process. The closing date for applications is 9am, Monday 15th June 2020. Full details of the scheme, including eligibility criteria and the application form have been made available on the Council website and paper copies are available on request.

In addition to passing on grant to businesses as swiftly as possible our Business Support team has been working to provide advice and support to businesses in relation to their eligibility for other support.

Looking ahead the Council will have a critical role in building investor confidence, stabilising and growing key sectors, regenerating our town centre and high streets, and sustaining local wealth creation in order to sustain and create jobs. It will also be more important than ever before to provide high quality place-based learning and skills pathways that enable local people to acquire the necessary skills and qualifications to progress into jobs in the emerging economy.

Hardship support

It is clear that the economic impacts are creating hardship. The borough has the 5th highest jobless rate in the country and significant numbers of people are being furloughed or made unemployed, often for the first time. There is evidence of increasing food poverty across the town and a growing concern about the impact on this year's school leavers and apprentices.

In March the Government announced a £500 million hardship fund to deliver support to Council tax payers in their area. The Government's strong expectation is that Councils will provide all recipients of working age Local Council Tax Support (LCTS) with a further reduction in their annual Council tax bill of £150, and to process these awards as soon as possible from the beginning of the 2020/21 financial year. These arrangements apply to existing eligible LCTS recipients as at 1st April and pro-rata to new eligible recipients during 2020/21. There was no need for LCTS recipients to make a separate claim for a reduction under this scheme, as eligibility has also been approved when the initial LCTS was awarded.

This funding cannot be used to reduce Council Tax bills for households' not in receipt of LCTS and was part of the Government's package of support for working age households in receipt of benefits.

Having allocated grant to reduce the Council tax bill for working age LCTS recipients by £150 (or a higher amount determined by a Council) the remaining grant is to be used to assist those most in need.

The Council has been allocated a cash limited grant of £1.864m. As referred to earlier it is expected that the number of LCTS households will increase during 2020/21 and for planning purposes an increase of 15% is appropriate. The actual increase will be monitored carefully.

An assessment of the level of Council Tax paid by LCTS households indicated that around 65% of households have an annual Council Tax liability of £167.22. Therefore, by setting the reduction at this level, rather than the £150 minimum requirement, the 2020/21 Council Tax liability was removed and the Council avoided the administrative burden of collecting £17.22 from around 5,500 households.

Based on the forecast LCTS caseload increase, this arrangement commits £1.480m of the available funding, leaving a potential uncommitted balance of £384,000 to support other potential initiatives to assist those most in need. These needs are currently being met from other temporary support, or the existing Local Welfare Support budgets, but this position is not expected to be sustainable.

Commitments against the forecast uncommitted funding will need to be carefully assessed as the financial impact of COVID-19 will continue over the remainder of the financial year. In the event that the remaining funding is not all committed over the coming months the Council will be able to increase the reduction of £167.22 for those LCTS households which still have a Council Tax liability. This would support these households and reduce the level of Council Tax arrears at 31st March 2021. At the end of May 2020 Council Tax collection was approximately 1% lower than at the same time last year. Collection levels will continue to be monitored closely throughout the remainder of the year. As set out later in the report the Council faces a significant reduction in Council Tax income as more households become eligible for Local Council Tax Support (LCTS) as a result of a reduction in their income, or redundancy. This will mean households eligible for LCTS support will move from paying 100% Council Tax to 12% - which will reduce budgeted income received by the Council.

Looking ahead it is clear that COVID19 will have an ongoing and sustained impact on levels of unemployment and poverty in the Borough. The Council will need to work with other agencies and the voluntary and community sector to mitigate any such impacts.

Excess deaths and bereavement management

The responsibility for provision of mortuaries rests with local authorities pursuant to section 198 Public Health Act 1936. Where additional mortuary space is required to respond to a public health crisis such as the current COVID-19 emergency, and Cleveland Local Resilience Forum is coordinating the management of the emergency response under the Civil Contingencies Act 2004. The Coronavirus Act 2020 (s.58 and Schedule 28) makes provision in relation to the transportation, storage and disposal of dead bodies. Schedule 28 para 5.(3) provides that being designated enables the local authority to make directions.

Schedule 28 paragraph 8 also refers to a compensation scheme to be made available by the government when a local authority is designated to enable those to whom directions are given to be appropriately compensated. This scheme does not yet appear to have been published.

In March Cleveland LRF were advised to work to modelling data based on reasonable worst case scenario (advice provided by central government). Denise McGuckin, as Chair of the Cleveland LRF, had to identify a strategy for dealing with excess deaths, this resulted in the provision of additional mortuary space at Hartlepool Hospital, this provided additional capacity for 60 bodies, and 16 refrigerated units were sourced, providing capacity for 168 bodies, two units are stored at James Cook Hospital and 14 units are stored in a warehouse at TAMP in Middlesbrough, which together with management, body movement and security is expected to cost of circa £260K Hartlepool's split is based on population, circa £50k. The cost of providing additional mortuary space at Hartlepool Hospital has been funded by the LRF reserve £50K.

Communication and public information

From the outbreak of the Coronavirus crisis we were keen to communicate with as many residents as possible, including those who don't have internet access and/or have low levels of digital literacy.

With this in mind, two communications have been distributed to all households across the borough, the first a leaflet about Hartlepool Support Hub and the second encouraging residents to continue to follow social distancing guidelines and to stay at home as much as possible.



Analytics also show social media has been a successful way to disseminate COVID-19 updates. For example, in the 28 days leading up to Thursday 28th May, our Facebook post reach was 258,931. In the same period, our Tweets received 198,000 impressions.

In the early stages of the pandemic, signage was placed in key locations across Hartlepool reminding residents to stay at home and this has since been replaced by new “why take the risk” signage in parks and public spaces reminding people about the importance of social distancing.

The Council has received a large number of positive online comments for its response to the COVID-19 pandemic, these include:

- “I just wanted to pass on my thanks: whilst it seems the rest of the UK has gone mad, campaigning for relaxed social distancing, throwing garden and VE Day parties and rushing back to schools on 1st June, HBC have really impressed me with their stance on COVID-19.”

- “Today, as the announcement came that we can now see six people at once, despite 374 deaths being announced simultaneously, I received a pamphlet from HBC asking ‘why take the risk?’ and outlining why the advice was not necessarily appropriate for places like Hartlepool. The repetition of this on social media - and the messages to stay away from Seaton - have also been welcome.”
- “I received your ‘why take the risk’ leaflet today. I live with my young son who is 13 years old. I just wanted to thank the people who pulled it together. The leaflet was very informative and helpful. Even my son took the time to read it, in fact, he read it before I did.”
- “Well done HBC on reassuring both staff and students that schools will not open until it is safer to do so. I hope other Councils locally follow your lead.”
- “So proud of HBC to stand up and protect its people – well done!”

It is clear that effective communication and public information will be critical to keeping our community safe as we move forward into the next phase of living with the virus.



Financial impact of COVID-19

The COVID-19 pandemic is having an unprecedented impact on the economy and the financial position of Councils. Whilst, Councils had faced nine years of austerity up to 2019/20 and had received a better than expected Government funding settlement for 2020/21, the financial impact of the pandemic is the single most significant financial challenge for Councils in a generation. Councils cannot manage the financial impact on their own.

As well as managing the impact of the pandemic on the community the Council has had to respond to a range of financial issues at speed to ensure services and people have been protected. The key issues are summarised in the following paragraphs:

Direct COVID-19 Financial Impact

The Government has recognised that Councils will face increased financial pressures in relation to COVID-19 and have provided two tranches of un-ringfenced grant funding of £1.6 billion – total funding of £3.2 billion. Different formulae were used for allocating the two tranches of funding and the Council received £3.404 million for tranche 1 and £2.559 million for tranche 2.

Nationally Councils and the Local Government Association are pushing the case for additional funding as the existing funding provided by the Government will not be sufficient. The value of funding required will depend on how long current additional costs directly related to COVID-19 last and how long it takes for income streams to recover to the pre COVID-19 level.

The financial impact on the Council is being carefully managed and monitored. The Ministry of Housing, Communities and Local Government (MHCLG) required all Councils to submit a financial return on 15th May 2020, based on the forecast financial impact at 31st July 2020. The MHCLG return stated this date “is intended for accounting purposes only and solely to improve consistency in the returns provided and should in no way be interpreted as government policy”.

Our return made it clear that many of the additional costs and income losses will depend on how long additional support is required, for example to care homes, and the significant impact on income – which is a significant financial risk to the Council.

The following table summarises the current forecast financial impact on the Council reported to MHCLG and shows that without additional grant funding the Council faces a shortfall of **£2.906m** up to July 2020. **If additional Government grant is not provided the Council will need to develop an emergency strategy to address this deficit.** This position will be reviewed once MHCLG has responded to the financial returns submitted in May.

Forecast Direct Financial impact of COVID-19 - April to July 2020

	Four month forecast £'m
<p>COVID-19 Expenditure</p> <p>The Council is incurring increased costs and the most significant areas relate to increased costs of:</p> <ul style="list-style-type: none"> • supporting Care Homes, including PPE and hospital discharge arrangements (£1.428m); • establishing and operating the HUB (£215k) • supporting the homeless (£89k) • increased Looked after Children costs (£82k) 	2.174
<p>Service Income Reduction</p> <p>The lock down and closure of facilities has resulted in a loss of income across a broad range of areas, including:</p> <ul style="list-style-type: none"> • reduced income received from Thirteen Group from the sale of former Council houses as tenants are not buying their property and continuing to rent; • reduction in forecast income from shopping centre; • reduction in income for leisure facilities, Borough Hall and Town Hall; • reduction in school meal income, school transport income and building cleaning income; • reduction in car parking income; • reduction in planning and building control income. 	2.737

<p>2020/21 Cost of increased Local Council Tax Support (LCTS)</p> <p>The economic impact of the pandemic will increase the number of households eligible for LCTS support and the pandemic and the period of eligibility will depend how the economy recovers.</p> <p>provide the context to the economic impact:</p> <ul style="list-style-type: none"> Office for National Statistics figures for April showed an increase in the claimant count of 856,500, to 2.097m; 1 in 5 UK workers (i.e. 6.3 million employees) have been furloughed. <p>The number of Hartlepool households eligible for LCTS has already increased by 8%. It is anticipated that eligible households will continue to increase over the next few months as companies make decision in response to the phasing out of the furloughing scheme and resulting redundancy levels.</p> <p>For planning purposes an increase of 20% in LCTS eligible households is forecast. This position will continue to be closely monitored.</p>	2.000
2021/22 Costs of increased LCTS support – continuation 10% increase in LCTS eligible households	1.000
Other Council Tax/Business Rate Income Shortfalls	0.400
<p>2020/21 savings not achieved and delayed to 2021/22</p> <p>The 2020/21 budget includes planned savings of £2.089m. Of these savings (£0.558m) will be delayed until 2021/22 owing to the impact of COVID-19 and capacity to deliver the necessary services changes.</p> <p>As part of the MHCLG COVID -19 financial returns many Councils have identified significantly higher delayed savings in 2020/21.</p>	0.558
Sub Total	8.869
Less Government grant	(5.963)
Current Funding Shortfall	2.906

The Council is not alone in identifying a funding shortfall and many Councils are facing even greater shortfalls as their budgets were more reliant on income streams which have been adversely impacted. The following table provides comparative information and shows:

- income reductions, including the impact of an increase in LCTS on Council Tax income, is having the greatest impact on Councils;
- Current forecast funding shortfall as a percentage of grant allocated – which shows all authorities are currently facing significant funding shortfalls;
- Other North East Councils face higher funding shortfalls than Hartlepool. This position partly reflects the fact that larger city based Councils face greater incomes reductions across a range of services e.g. car parking income and regional theatres.

	Expenditure	Income Reductions	Total	Current funding shortfall as percentage of grant allocated
Hartlepool	31%	69%	100%	48%
Average for 9 NE Councils – includes HBC	39%	61%	100%	129%
Range for 9 NE Councils – includes HBC	17% to 50%	50% to 83%	100%	25% to 350%

Impact on 2020/21 Budget

The financial costs and income losses of the COVID-19 pandemic are reflected in the previous section. Work is currently progressing to determine if there will be any areas of the budget that may underspend in the current year, for example reductions in energy costs from the temporary closure of buildings. These savings will need to be earmarked to manage additional pay costs, as detailed below.

The Council also faces additional unbudgeted pay costs of £400,000 as the national pay award of 2.75% exceeds the forecast 2% included in the 2020/21 budget. At a national level the Trade Unions have rejected the pay offer and the national employers' organisation have indicated this is a final offer.

The 2020/21 budget will continue to be monitored and managed carefully and further updates will be provided as the year progresses. This will then enable a strategy to be developed if corrective action is needed.

Impact on 2021/22 Budget

Over the last few years the Council's budget had moved back to a more sustainable basis as a result of action taken to implement further budget reductions and an increase in Government funding in 2020/21 – which for planning purposes was anticipated to be recurring income. On this basis a

2021/22 budget deficit of £1.3m was previously forecast.

The Government has recently announced that major planned reforms on the Local Government system (i.e. Fair Funding Review and increases in Business Rates Retention to 75%) will be deferred a further 12 months and will not now be implemented until 2022/23. This removes two significant areas of financial uncertainty. However, the Government has not indicated the level of funding for Councils for 2021/22 or how this will be distributed. For planning purposes it is not anticipated that the Government will make any significant changes to the funding formula and all funding provided in 2020/21 will continue at the same level in 2021/22. Clearly, if this funding is reduced the Council will face a higher budget deficit than currently forecast.

It is also anticipated that 2021/22 will be a single year financial settlement as the Government will not complete a Comprehensive Spending Review during 2020. This makes medium term financial planning extremely challenging.

The pandemic will continue to impact on the economy and the speed of the recovery is uncertain. For planning purposes the following factors are reflected in the update of 2021/22 budget forecasts and will continue to be reviewed as more information becomes available:

- LCTS claimants numbers in 2021/22 will continue to be higher than forecast and this loss of income will either be covered from an increase in Government Grant, or by developing an emergency financial strategy, as detailed in the previous section;
- Additional cost of April 2020 national pay award – it is currently anticipated that the additional cost in 2020/21 will be funded on a one off basis. As this is a recurring costs this will increase the 2021/22 budget deficit by £400,000;
- April 2021 National Pay award – for planning purposes the budget forecast of 2% remains appropriate at this stage as the national position is uncertain;
- Housing Growth – the Council has benefitted from housing growth over the last 5 years and this was previously anticipated to continue. The forecast growth levels for 2020/21 and 2021/22 will not be achieved. For planning purposed it is recommended the cumulative growth forecast for these two years is reduced by 50% - this reduces forecast 2021/22 Council Tax income by £760k;
- Council Tax increase 2021/22 – the current forecast is based on a 2% increase. If this increase is not implemented this will reduce recurring Council Tax income by £860k.

In summary the above factors significantly increase the forecast 2021/22 budget deficit from £1.301m to between **£2.461m to £3.321m**:

Current 2021/22 Forecast Deficit

	With 2% Council Tax increase £'m	Without 2% Council Tax increase £'m
Forecast Deficit reported February 2020	1.301	1.301
Recurring impact of April 2020 National Pay Award	0.400	0.400

Reduction in forecast Housing Growth	0.760	0.760
Reduction income from Council Tax freeze	0	0.860
Revised Forecast Deficit	2.461	3.321

Summary Financial Impact on the Council

The pandemic has had a major impact on the economy and the Government's finance. The financial impact on the Council is still uncertain and will depend on how long recovery takes and funding decisions made by the Government.

The current forecast position is set out below and shows a current 'lowest' forecast shortfall of approximately **£2.5m** and a current 'highest' case of **£6.2m** – the range highlights the critical importance of the Government providing additional funding for COVID-19 costs and income reductions. Deficits of this scale will be a significant financial challenge for the Council and future reports will update these figures and detail proposals for managing the funding shortfall. **After nine years of austerity the challenge of managing this position cannot be under estimated.**

Summary Financial Impact

	COVID-19 costs and income losses fully funded from Government Grant and 2021/22 Council Tax increase of 2% confirmed £'m	Government COVID-19 grant capped at current level and 2021/22 Council Tax increase of 2% confirmed £'m	Government COVID-19 grant capped at current level and 2021/22 Council Tax frozen £'m
Direct COVID-19 Costs and income losses	0	2.906	2.906
2021/22 Updated Budget Deficit	2.461	2.461	3.321
Current Forecast Funding Shortfall	2.461	5.367	6.227

Planning for the next phase

Managing local outbreaks

We have reached a critical point in the emergency response phase as the lockdown is released. However we are coming to terms with the fact that there will be no swift return to business as usual. We know that society will be different as a result of COVID-19. We have now seen how vulnerable we are to pandemics and we will be dealing with this one until there is a vaccine. Some regions of the UK, including the North East, face a higher likelihood of a second wave.

The Council will have a key role in maintaining social distancing and encouraging COVID-19 safe measures in public spaces, shops and other high risk venues as well as providing ongoing support, assistance and advice to the vulnerable and self-isolating population. This will mean adjusting to a new normal as we move from a pre-vaccine to a post-vaccine society.

In this next phase Councils will have a critical role to play in preventing and controlling local outbreaks in their local areas. There is growing recognition nationally that we will only beat the virus through strong local leadership and collaborative effort across communities. In order to achieve this it will be vital to keep the public on board with our local response. To this effect Councils have been charged with working with Public Health England to produce a local outbreak control plan for their area by the end of June and to set out arrangements for working with partner agencies and local community organisations to prevent outbreaks in high risk areas and to contain any outbreaks that occur. The plan will cover seven themes:

1. Care homes and schools – planning for local outbreaks in care homes and schools
2. High risk places, locations and venues eg shops, places of worship, public open spaces
3. Local testing capacity – identifying ways of mobilising testing capacity swiftly
4. Contact tracing in complex settings
5. Data integration
6. Vulnerable people
7. Governance and local boards.

A multidisciplinary outbreak control team is being established, chaired by the Council's Director of Public Health, to develop the Hartlepool outbreak control plan which will report through the Gold Command SCG arrangements. The Health and Wellbeing Board will have a critical role in overseeing the plan and keeping partners and the community engaged and on board with our approach in Hartlepool. This will require re-setting the purpose and membership of the Health and Wellbeing to ensure it can fulfil this role.

Lessons learnt

As we plan and put new arrangements in place for the next phase it is important to take stock of the lessons learnt so far. The Council has worked well in this crisis and we should be rightly proud of what we have achieved. We have demonstrated a resourcefulness and flexibility in leadership that has seen changes implemented in two weeks that might otherwise have taken two years. In this we have learned about the power of working collaboratively across the Council, with our communities and with our partners.

However a critical tension throughout has been the relationship between a national centralised approach to tackling the crisis and the local response. Local government has largely been excluded from key intelligence and a top down approach has hampered the response. Whether it has been the approach to shielding, testing, the discharge of patients from hospital into care homes, PPE, free

schools meal vouchers or the further re-opening of schools, Councils have been left to pick up the pieces and develop 'work-arounds'.

The local government sector is working through the LGA and with ministers to improve the interface with national government in this next phase. This will be critical if further outbreaks are to be prevented and contained. To do this we will need access to timely and accurate data from the national test, trace and isolate system and clarification about our powers to intervene.

Recovery Planning

As we move forward, we will also have a critical role to play in shaping a local recovery plan. The social and economic impacts of COVID-19 will be profound and far reaching. We are already seeing the hardship this is creating for many of our residents alongside the impact of the virus on the physical and mental health and wellbeing of our residents. Many people will be struggling to cope with and make sense of the way life has changed, many families will be experiencing grief through loss of loved ones in very difficult circumstances. Some businesses will struggle to survive, others will have a slow restart and already struggling high streets will be under further pressure. Despite the best effort of our schools there will be an inevitable impact on the education disadvantage gap and growing pressure on children's services and adult social care. The economy will shrink, many businesses will fold, and unemployment will rise – along with poverty. However, there will also be new emerging sectors that we will need to attract and help grow.

It has never been more important for the Council to provide strong collaborative leadership. This will involve continuing to support the vulnerable, providing ways of enabling people to tell their stories and commemorate what has been lost and developing new ways of tackling the health and education inequality gap. It will also involve the development of an inclusive growth strategy which stimulates local wealth creation, strengthens local supply chains, attracts new investment in growth sectors and provides high quality skills pathways to enable local people to progress into jobs.

We will need to take on this role at a time when local government finances will be under severe pressure as we have to deal with ongoing COVID-19 related costs, loss of income and slow housing growth. Central Government has recognised the pressure and the contribution of local government during the emergency phase. Hartlepool has received an additional £5.563m to meet additional COVID-19 related costs and sustain the social care sector, £1.864m to direct hardship support to those in receipt of Local Council Tax Support and £18,761,500 to support local businesses. The emergency demanded that resources be directed urgently in accordance with Government Guidance and the Civil Contingencies Act 2004. The financial decisions taken under urgency powers to achieve this will be reported to Finance and Policy Committee on 29th June 2020.

Notwithstanding the above, the pressure on local government finance will be significant going forward and social and economic recovery will require significant public intervention. Initial estimates for Hartlepool indicate that we could be facing a £6.2 m shortfall over two years as a result of increased pressures, loss of income and COVID-19 direct costs. Without further additional funding Councils, including Hartlepool, will struggle to sustain services that were already being severely challenged as a result of nine years of austerity.

In addition recent ONS, OBR and Bank of England economic forecasts are predicting that the shock of COVID-19 will precipitate a recession and that towns like Hartlepool will be hard hit. The capital investment programme approved by Council and our inclusion in the Town Deal Fund gives the Council a headstart in stimulating economic recovery, re-animating our visitor and cultural economy, re-purposing our high street and creating the conditions for inclusive growth and local wealth building. However, Hartlepool will require a significant fiscal stimulus beyond these resources if we are to prevent the health, education and economic inequalities in our Borough worsening. It will

be important to work collaboratively with the Tees Valley Combined Authority to attract the fiscal stimulus we will need to build a route of recession.

Planning for recovery will require us to set out our arrangements and make the case for deploying investment into the following workstreams:

1. Outbreak prevention and control
2. Safer green and urban spaces
3. Schools and vulnerable children
4. Care homes and support for vulnerable people
5. Hardship and homelessness
6. Economy and business
7. Workforce and organisational change
8. Physical and mental health
9. Community cohesion and wellbeing
10. Financial impact and resources
11. Communication and engagement

As we move from the response phase into recovery the SCG will be re-purposed and become a Recovery Co-ordination Group (RCG) which will develop actions plans in relation to each of the workstreams.

Recovery consultation and engagement

Taking account of the significant challenges the virus has created it will be important over the next few weeks to undertake a consultation and engagement exercise to reflect on lessons learnt, the emerging issues in the Borough and to help shape a three year recovery plan and budget. Mitigating and recovering from the impact of COVID-19 will require a major collaborative effort involving our partners in the public, business, faith and voluntary and community sectors. Key stakeholders include:

- Elected members
- Our workforce
- Partner agencies including the CCG, NHS and social care providers and TVCA
- Voluntary and community sector providers
- Faith communities
- Business community

We are proposing over June and July to hold ‘Teams’ discussions with key stakeholders to inform our recovery plan and budget as part of the budget setting process for 2021/2022 – 2024/205.

We have now been able to roll out the network and IT capacity to enable Council meetings to be held remotely and it is proposed to re-start meetings of Council with a specific focus on shaping a recovery plan and budget in response to the crisis.

The outcome of this consultation and analysis will inform the budget and planning process of Council over the autumn.

Community engagement – let the story be told

COVID 19 isn't a temporary disruption to our world, it is a turning point in history which will create a different normal for people, communities and the world in which we live. People have experienced separation and loss. We have seen empty streets, business closure, bereavement, anxiety, vulnerability, isolation and crisis. However we have also found kindness, mindfulness, connectivity, community spirit, nature, balance, family, laughter, creativity and perspective.

Moving into a period of reflection and recovery provides an opportunity for us to engage with communities to listen and understand what COVID-19 and 2020 has meant to them.

Helping people tell their stories will be an important way of helping our community make sense of what is happening. As part of our consultation and engagement work the Council will co-ordinate a programme of engagement, interaction and sharing to capture the stories and experiences of individuals, communities, businesses, voluntary organisations and faith communities across the Borough. We will provide an opportunity for people to share stories and reflections through a variety of media, give expression to how they feel and their hopes for the future. The material will be collated to create a social history of how the Borough responded to the virus that can be used in future exhibitions, inform our recovery planning and become part Hartlepool's archive.

Conclusion

As Central Government releases the lockdown it would be easy to think that we are through the worst of the COVID-19 pandemic. However with the high likelihood of further spikes, the profound impact the virus has had on our economy and community alongside the damage that has been sustained by Council finances, it is clear that we are by no means out of the woods. The challenges we face are far reaching and the journey to recovery has only just begun.

Throughout this crisis the Council has demonstrated that 'if we did not exist it would be necessary to invent us'. Our SLT and workforce have responded brilliantly and we have learned a great deal about the power of working collaboratively across the Council, with our communities and with our partners.

We entered the crisis with strong relationships with our partners and a workforce committed to do whatever it takes. Our thanks go to all who have made such an important contribution – our Council workforce and elected members, our trades unions, our NHS and social care workforce, our school leaders and staff, our NHS partners, our social care providers, the Police and Ambulance service, our care homes, our community and voluntary sector, our faith organisations, our businesses and our children and young people who have decorated the town with rainbows.

It will be important, as the crisis and its consequences unfold, to build on the gains we have made as we provide the civic leadership that is required to create a new normal. This will require shared and collaborative leadership and a sense of mutual accountability for delivering shared goals. Over the next few months the Council will need to shape and approve a three year recovery strategy and budget which keeps momentum, responds to the challenges and takes advantage of the opportunities the crisis has created. This will require new ways of working together that cuts across professional, organisational and political boundaries. Most importantly it will require a shared vision of the kind of future we want to realise for Hartlepool as we emerge from this world-changing pandemic.

COVID-19 – The story so far

On 5th March it was announced that a hospital patient had become the first person in the UK to die after testing positive for Coronavirus.

On 11th March the World Health Organisation declared that COVID-19 was a global pandemic.

Here's a reminder of how Hartlepool Borough Council – working with partners across the town - responded to the COVID-19 crisis as events unfolded nationally.

Week 1 – 16-22 March

The Government advises everyone to avoid gatherings and crowded places and orders schools, colleges, nurseries, pubs and restaurants to close.

We close a number of venues offering non-essential services, cancel all Council events to the end of June and postpone all Council meetings. Staff are redeployed to critical services. Frontline services continue.

Cleveland Local Resilience Forum declares a Major Incident

We outline national and local support for businesses and arrangements for people to apply for benefits online.

Week 2

The Government announces strict movement restrictions, orders shops selling non-essential goods to close, bans public gatherings and cancels all events apart from funerals.

Hartlepool Support Hub is launched to help anyone in Hartlepool who is self-isolating or otherwise unable to leave their home and takes almost 1,400 calls in its first week.

We step in to make sure care home staff and staff supporting people in their own homes have sufficient stocks of PPE.



We launch our new rainbow logo – We're all in this together.

We rapidly increase our IT capacity to enable as many of our staff as possible to work from home.

We commission appropriate accommodation for the homeless to make sure any rough sleepers in Hartlepool are off the streets by the first weekend of lockdown.

Week 3

A million cases of Coronavirus are recorded around the world. The Queen addresses the nation.

We bring in new measures to protect our refuse collection staff from the virus.



We again urge people to heed movement restrictions as we close beachfront car parks.

Week 4

The number of people who have died in hospital after testing positive for Coronavirus in the UK rises above 5,000.

We put special measures in place to help Hartlepool Enterprise Centre tenants who don't qualify for Government support.

Residents in financial crisis are urged to call the Council's Local Welfare Support team for help.

Week 5

The Government announces lockdown measures will continue for at least three more weeks.

We urge the town's frontline charities to apply for extra Government funding.

Hartlepool schools and colleges are praised for providing much-needed personal protective equipment to NHS and social care staff.



Council Leader Councillor Shane Moore praises residents for staying at home over Easter.

Week 6

Millions of people become eligible for a Coronavirus test in an expansion of the Government testing programme for essential workers and their households.

Hartlepool Support Hub backs a new good neighbours support scheme.

Hartlepool Mecca Bingo teams up with us to provide free hot meals to vulnerable residents.



Together with EDF Energy, we donate much-needed PPE to Alice House Hospice.

Week 7

Efforts continue nationally to increase the number of people being tested for Coronavirus.

A phased return of neighbourhood and streetscene services is announced.



Hartlepool United Football Club is now supporting us by making its vehicles available to help with essential deliveries to those in need.

Week 8

The UK now has the highest number of COVID-19 related deaths in Europe.

We announce that the Household Waste Recycling Centre is to open for pre-booked visits.



People across Hartlepool mark the 75th anniversary of VE Day.

Week 9

Lockdown measures are eased in England, allowing people to spend more time outside.



Visitors are asked to stay away from Hartlepool as the Coronavirus lockdown is eased in England.

A temporary COVID-19 mobile testing site is set up in Hartlepool.

As Coronavirus cases locally continue to rise, we take a collaborative approach with schools and academies and announce they will not reopen on Monday 1st June.

Week 10

The Government faces further mounting pressure to reconsider its plans to reopen primary schools from 1st June.



New measures are introduced at Seaton Carew to ensure pedestrians can safely observe social distancing.

A fresh "stay away" appeal is issued ahead of the Bank Holiday weekend.

Week 11

Boris Johnson says the Government's five tests have been met, and from 1st June groups of up to six people will be able to meet outdoors.

Brown bin collections resume.

A new discretionary grant fund is launched to help small businesses and charities.

Since the crisis began:

- We have so far paid out over £17m in grants to about 1,500 local businesses which are eligible for support under the Government-funded grant support scheme.
- Hartlepool Support Hub has to date helped almost 4,000 people, including delivering over 1,600 food parcels, more than 1,200 prescriptions and over 1,500 hot meals.
- We have co-ordinated voluntary and community efforts with more than 150 DBS checked volunteers.
- We are working in partnership with organisations such as Hartlepool Foodbank, Hartlepool Carers, Mecca Bingo, Hartlepool United Football Club, Hartlepower and Poolie Time Exchange.
- We are working jointly with Cleveland Police around encouragement and enforcement of social distancing in public spaces.
- On a daily basis we have worked at a national and regional level to influence policy and systems where they are not working.



Hartlepool Borough Council

Pay Policy Statement 2020/21

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1. INTRODUCTION

- 1.1 This document sets out the Council's Pay Policy in relation to the remuneration of its employees (excluding those employed by schools with delegated budgets) for the period 1 April 2020 to 31 March 2021 in accordance with Section 38 of the Localism Act 2011¹ and reflects the guidance issued by the Department for Communities and Local Government^{2 3} unless stated differently. This pay policy applies equally to all employees (excluding school employees) regardless of status and seniority unless stated differently. The policy is subject to annual review and must be approved by the Borough Council for each financial year. The policy will be published on the Council's website⁴ as soon as reasonably practicable after approval or amendment.
- 1.2 Hartlepool Borough Council is committed to transparency and fairness in its payment and remuneration of all of its employees and will comply with all relevant employment legislation.
- 1.3 In 2020/21, the Council has an overall pay budget of £62.2m (excluding school staff) including on-costs for its workforce. It will employ around 1,989 people excluding those who are employed directly by schools in Hartlepool, in a variety of diverse roles.
- 1.4 The Council's values give us a desire to increase the standard of living for everyone. Given that the Council is the largest employer in Hartlepool and that around 76.5% of employees live in the town, it has a major influence on the economic wellbeing of the town and a direct impact on levels of inequality. The Council wants to do all in its power to make Hartlepool a fairer town and is committed to reducing inequality by leading by example and doing so through the way it operates as an organisation.

2. NATIONAL AND OTHER CONDITIONS OF SERVICE

- 2.1 The appropriate National Conditions of Service (as detailed in Table 1) are automatically incorporated into employee contracts of employment.

1 Available at: <http://www.legislation.gov.uk/ukpga/2011/20/contents>

2 Available at: [Openness and accountability in local pay: guidance - Publications - GOV.UK](#)

3 Available at: [Openness and accountability in local pay: supplementary guidance - Publications - GOV.UK](#)

4 Available at: https://www.hartlepool.gov.uk/downloads/download/305/pay_policy

Table 1 – National Conditions of Service in use in the Council

Condition of Service	Type of Employees
Joint Negotiating Committee (JNC) for Local Authority Chief Executives	Chief Executive
Joint Negotiating Committee (JNC) for Chief Officers in Local Authorities	Directors, Assistant Directors and some other senior managers
The Soulbury Committee	Educational Improvement Professionals, Educational Psychologists and Young People's/Community Service Managers
Conditions Of Service for School Teachers in England And Wales ⁵	Head Teachers, Deputy/Assistant Head Teachers, all Leadership, Teachers, Qualified and Unqualified Teachers
Joint Negotiating Committee for Youth and Community Workers	Youth and Community Workers
National Joint Council (NJC) for Local Government Services – Part 2 only	All other employees

For legal and other reasons, some employees are employed on other conditions of service, for example as a result of TUPE transfers into the Council.

- 2.2 The Council's Single Status Agreement is automatically incorporated into the employment contract of NJC for Local Government Services employees.
- 2.3 Sections 1 (paragraphs 1.1.3 and 1.1.4 only), 3 (sub section 3.5 only), 5-9 and 12-16 of Part 2 of the Council's Single Status Agreement apply to all employees where their national conditions of service are silent.

3. PAY STRUCTURE

- 3.1 The Council uses nationally negotiated pay rates included in the above national conditions of service as the basis for its local pay structure, which determines the pay bands of its workforce.
- 3.2 National pay awards are automatically applied to the national and local pay rates where employees are employed under the national conditions of service detailed in Table 1. Employees who continue to be employed under their pre transfer conditions of service following their TUPE (or similar) transfer to the Council are:

⁵ The Conditions of Service for School Teachers In England And Wales August 2000 is supplemented by the statutory School Teachers' Pay and Conditions Document available at <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>

- not entitled to receive pay awards (equivalent to the appropriate Council condition of service national pay awards) where the value of the maximum of the employees pre transfer pay band is greater than the pay they would receive at the maximum of the pay band if they were employed under the appropriate Council conditions of service and/or if the employees are entitled to increments within their TUPE pay band as they are not at the maximum of their TUPE (or similar) pay band.
- entitled to receive national pay awards in all other circumstances subject to the employees pay plus any pay award not exceeding the maximum of the appropriate pay band if they were employed under the appropriate Council conditions of service.

- 3.3 All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.
- 3.4 In determining its grading structure and setting remuneration levels for any posts which fall outside the scope of nationally set pay grades, the Council takes account of the need to ensure value for money in respect of the use of public expenditure. This is balanced against the need to recruit and retain employees who are able to deliver high quality services to the community and the need to comply with pay related legislation e.g. in relation to equal pay, national minimum wage and the national living wage.
- 3.5 In line with good employment practice, JNC for Local Authority Chief Executives and JNC for Chief Officers in Local Authorities jobs have been evaluated using the LGA Senior Managers job evaluation scheme and NJC for Local Government Services jobs have been evaluated using the bespoke NJC job evaluation scheme. This is to ensure that jobs are graded fairly and equitably. Both job evaluation schemes used are substantial schemes. For legal and other reasons, a limited number of employees pay is not consistent with the current grading structures for example as a result of TUPE transfers.
- 3.6 No job evaluation scheme exists for the remainder of jobs i.e. those on Teachers, Youth and Community workers and Soulbury conditions of service, however, those employees are placed within nationally defined grading structures.
- 3.7 As part of its overall and ongoing monitoring of alignment with external pay markets both within and outside the sector, the Council will use available benchmark information as appropriate.
- 3.8 Periodic equal pay audits will be undertaken and pay structures and allowances will be reviewed as necessary.

4. REMUNERATION ON APPOINTMENT

- 4.1 Appointments to the posts of Chief Executive, Directors and other Chief Officer posts are subject to the Council's Officer Employment Procedure Rules⁶ and the salary package (including basic pay, any fees or allowances routinely payable to the appointee and any benefits in kind) for each post is determined by full Council. Appointments to posts where the salary package is £100,000 or more per annum will be approved by full Council in the case of the appointment of the Chief Executive/Head of Paid Service or by the Appointments Panel in the case of other appointments. Appointment of all other officers is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by members.
- 4.2 New appointments are subject to the Council's Recruitment and Selection Policy and will generally be made to the agreed pay structures at the bottom spinal column point of all pay bands unless there are special circumstances and payment at a higher level can be objectively justified.
- 4.3 Where employees are redeployed into a lower graded post because of ill health (where this is supported by the Council's Occupational Health Advisor) or as an alternative to redundancy they will generally be appointed to the highest spinal column point within the lower grade so as to minimise financial loss.
- 4.4 From time to time, it may be necessary to take account of external pay levels in the labour market in determining starting salary levels and the use of market forces supplements in order to attract and retain employees with particular experience, skills and capacity.
- 4.5 The Council does not make any "golden hello" payment or any other incentive payments at recruitment other than market forces supplements where these are determined in accordance with the provisions in Table 3.
- 4.6 Where appropriate, the Council pays removal and relocation allowances, as detailed in the Council's Recruitment and Selection Policy upon the presentation of approved receipts.
- 4.7 On 1st April 2019 there was an introduction of a new pay spine with an assimilation plan agreed locally with relevant trade unions and approved by Finance and Policy Committee.
- 4.8 National negotiations are ongoing regarding cost of living increase to pay which is applicable from 1 April 2020.

⁶ Available at https://www.hartlepool.gov.uk/info/20004/council_and_democracy/370/hartlepool_borough_councils_constitution

5. SENIOR MANAGEMENT REMUNERATION

5.1 The definition of 'Senior Management' in this statement mirrors the definition of 'Chief Officer' as detailed in Section 42(2) of the Localism Act 2011 i.e.

- the head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- its monitoring officer designated under section 5(1) of that Act;
- a statutory chief officer mentioned in section 2(6) of that Act;
- a non-statutory chief officer mentioned in section 2(7) of that Act;
- a deputy chief officer mentioned in section 2(8) of that Act.

Within Hartlepool, the above definition includes employees on JNC for Local Authority Chief Executives, JNC for Chief Officers in Local Authorities and NJC for Local Government conditions of service plus employees employed on other terms and conditions of employment as a result of TUPE (or similar) transfers.

5.2 The 'Senior Management' salary bands for implementation as at 1 April 2020 are set out in Table 2 below.

5.3 At the time of the publication of this Pay Policy document there is no agreed pay deal for 2020/21.

5.4 Any increments due are implemented automatically on an annual basis.

5.5 In respect of Chief Officers (those posts below the Chief Executive and Directors, the Council operates with a small number of bandings to provide operational and strategic flexibilities, whilst providing a robust and competitive pay strategy to retain and attract high calibre staff.

Table 2 – Salary bands of 'Senior Management'

Role	Annual Salary Band as at 1 April 2020	No of Points in Pay Band
Chief Executive (WEF 1.4.2020 – 30.6.2020)	£148,583 – £159,197	6
Managing Director (WEF 1.7.2020)	£148,583	1
Directors	£106,131 - £116,744	6
Director of Public Health	£81,902 - £87,753	3
Chief Officer – Band A	£81,902 - £87,753	3
Chief Officer – Band B	£73,128 - £78,978	3
Chief Officer – Band C	£61,427 – £70,203	4
Chief Officer – Band D	£55,970 - £58,414	3

- 5.6 Information on 'Senior Management' responsibilities and remuneration will be published on the Council's website⁷ in line with Local Government Transparency Code 2015⁸ and the Accounts and Audit Regulations 2015⁹.

6. ADDITIONAL BENEFITS

- 6.1 Employees receive/have access to additional benefits (in addition to basic salary) as outlined in the Table 3 below.

Table 3 – Additional Benefits

Employees	Additional Benefit
All officers involved in delivering local, Parliamentary and/or European elections and/or referenda	Duty payments in connection with elections as determined locally in consultation with the other Tees Valley Councils and/or by statute depending on the duties concerned.
Employees in Development Scheme posts	Progression through pay bands where pre-determined progression criteria are met.
All employees whose pay reduces as a consequence of organisational change, job evaluation or redeployment	The pay protection arrangements detailed in the Council's Single Status Agreement apply to all employees as a means of assisting employees to adjust, over a 3 year period, to a reduction in pay arising from organisational change, job evaluation or redeployment. At the end of the 3 year protection period the standard pay arrangements apply.
All employees who are members of public sector pension schemes	<p>The Council operates the Local Government Pension Scheme (LGPS), the Teachers Pension Scheme (TPS) and the NHS Pension Scheme (PHPS) and makes employer pension contributions, as required, for all employees who elect to participate in one of the above schemes. The employer pension contributions from 1 April 2020 are as follows:</p> <p>Local Government Pension Scheme -12.4% of pensionable pay</p> <p>Teachers Pension Scheme - 23.6% of pensionable pay</p>

⁷ Available at: https://www.hartlepool.gov.uk/info/20004/council_and_democracy/430/local_government_transparency_code

⁸ Available at: <https://www.gov.uk/government/publications/local-government-transparency-code-2015>

⁹ Available at: <http://www.legislation.gov.uk/uksi/2015/234/contents/made>

	<p>NHS Pension Scheme – 20.68% of pensionable pay</p> <p>The contribution rates are regularly reviewed and set by actuaries advising the various Pension Funds.</p>
All employees in posts where there are particular recruitment and/or retention difficulties	<p>As a general rule, the pay bands provide relevant and adequate compensation to attract and retain employees for the vast majority of posts and the necessity to apply a salary supplement should not exist. There may be specific circumstances, however, where an additional market forces supplement may be required to either attract hard to recruit categories of employees or to retain such employees within the employment of the Council. In all circumstances a business case will need to be developed (and reviewed regularly) to support the payment of market supplements which will be approved by members in relation to posts subject to the Council's Officer Employment Procedure Rules¹⁰ and by the Director of Finance & Policy in relation to all other posts.</p> <p>The market forces supplement arrangements detailed in the Council's Single Status Agreement apply to all employees.</p>

Table 3 (cont.) – Additional Benefits

Posts/Employees	Additional Payment
All permanent employees	Able to access the Council's Lease Car scheme through a salary sacrifice arrangement in accordance with Her Majesty's Revenues and Customs (HMRC) rules and at no cost to the Council.
Employees registered and in receipt of Childcare Vouchers via the Council run Scheme on 5 April 2018.	Able to continue to access the Council's Childcare Voucher scheme through a salary sacrifice arrangement in accordance with Her Majesty's Revenues and Customs (HMRC) rules and at no cost to the Council.
All employees who are members of the Local Government Pension Scheme and pay Additional Voluntary Pension contributions	Able to access a Shared Cost Salary Sacrifice AVC scheme.

¹⁰ Available at https://www.hartlepool.gov.uk/info/20004/council_and_democracy/370/hartlepool_borough_councils_constitution

All employees	Able to access the Council's Cycle to Work scheme through a salary sacrifice arrangement in accordance with Her Majesty's Revenues and Customs (HMRC) rules and at no cost to the Council.
All employees	The Council pay a range of allowances/premium payments as detailed in National Conditions of Service (see Table 1).
All employees employed under the National Joint Council (NJC) for Local Government Services conditions of service	The Council pay a range of allowances/premium payments as detailed in the Council's Single Status Agreement subject to employees meeting the criteria for payment.

7. CHANGES TO SALARIES

7.1 Changes in salary for employees will occur only as a result of

- the application of the provisions in Table 3.
- promotion.
- significant changes to an employee's role which results in a different pay band being appropriate (as confirmed by the outcome of an appropriate job evaluation process, where appropriate).
- an honorarium or ex-gratia payment being appropriate to recognise circumstances or events not covered by conditions of service.
- progression of a maximum of one increment each year within previously agreed pay bands based on service.
- changes in the working arrangements of employees.

7.2 The Council does not currently award any performance related pay or bonuses to any of its employees or require them to have an element of their basic pay 'at risk' to be 'earned back' through meeting pre agreed objectives.

8. PAYMENTS TO ALL EMPLOYEES UPON TERMINATION OF EMPLOYMENT AND PUBLIC SECTOR EXIT PAYMENT RECOVERY

8.1 Employees who cease to hold office or be employed by the Council will receive payments based on entitlement within their contract of employment, their general terms and conditions and existing policies in relation to the Local Government Pension Scheme¹¹, specifically the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011¹².

¹¹ Available at: <http://www.lgpsregs.org/>

¹² Available at: <http://timeline.lge.gov.uk/regidx.html>

- 8.2 In accordance with the Council's Constitution, the determination of early retirement applications which do not generate sufficient savings to ensure that the costs of the application (including salary paid in lieu, redundancy compensation, strain on the pension fund, holiday pay and any bonuses, fees or allowances paid) are recovered within a pay-back period of 3.05 years or less are considered by members of the Personnel Sub Committee. Officers determine all other early retirement applications. This arrangement complies with previous Audit Commission guidance, has worked very well for a number of years and is an effective and efficient way of dealing with early retirement applications.
- 8.3 The Council, under the provisions of The Small Business, Enterprise and Employment Act 2015, implementing the Public Sector Exit Payment Recovery Regulations, with effect from 1st April 2016, will seek to recover, on a tapered basis, any public sector exit payments made under these regulations. This applies to those public sector workers who earned £80,000 per year or more and return to work for a public sector employer within 12 months of receipt of the exit payment, once the Government confirms the statutory implementation date.

9. LOWEST PAID EMPLOYEES

- 9.1 The lowest paid employees from 1st April 2020 will be remunerated at JNC for Government Services spinal column point 3 (equivalent to £18,065 per annum, £9.36 per hour).
- 9.2 The Council introduced its Single Status Agreement on 1st April 2007. The lowest paid employees within the Council are appointed to jobs which have been evaluated using the NJC Job Evaluation Scheme and are remunerated accordingly.
- 9.3 The relationship between the rates of pay for the lowest paid and for senior management is determined by the processes used for determining pay and grading structures as set out earlier in this Policy Statement.
- 9.4 The Council's 'median pay multiple', which complies with the Local Government Transparency Code 2015¹³, is the ratio between the taxable earnings of the highest paid employee and the median taxable earnings of the whole of the Council's workforce. The Chief Executive with a pay band of £148,583 – £159,197 at 1st April 2020 rates, is the highest paid employee. From 1 July 2020, the Managing Director will be remunerated at £148, 583.

¹³ Available at <https://www.gov.uk/government/publications/local-government-transparency-code-2015>

9.5 The 2019 'pay multiple' with comparative data is detailed in Table 5.

Table 5 – 'Pay Multiple'

Date	Taxable earnings of the highest paid employee	Median taxable earnings of the whole of the Council's workforce	Pay multiple based upon the taxable earnings of the highest paid employee
31 March 2014	£140,833	£17,051	8.26
31 March 2015	£142,833	£18,211	7.84
31 March 2016	£119,610	£18,074	6.62
31 March 2017	£126,772	£18,383	6.90
31 March 2018	£129,847	£18,352	7.08
31 March 2019	£134,288	£19,325	6.95

N.B. The pay multiple changes each year as a consequence of a combination of the taxable earnings of the highest paid employee increasing due to incremental progression within the pay band of £148,583 – £159,197, the time they are in post and the median taxable earnings of the whole of the Council's workforce changing.

9.6 The Council will generally aim to ensure that the basic pay 'pay multiple' does not exceed a value of ten.

10. EMPLOYMENT OR ENGAGEMENT OF FORMER EMPLOYEES

10.1 The Council will generally not re-employ or engage any individual under a contract of service or a contract for services whom has previously been employed by the Council and left that employment with the benefit of a severance, early retirement or redundancy payment under voluntary arrangements, unless it is in the best interests of the Council to do so or there are exceptional circumstances which would justify doing so. Under the Officer Employment Procedure Rules ¹⁴ Members will approve all appointments for Head of Paid Service, Directors and Chief Officers reporting to a Director or Head of Paid Service. In respect of all other posts the Chief Executive (in her/her role as Head of Paid Service) will formally approve any appointments.

¹⁴ Available at:

https://www.hartlepool.gov.uk/downloads/file/5261/hartlepool_borough_councils_constitution_2019-20 Part 4, p117.

11. EMPLOYMENT OF INDIVIDUALS ALREADY UNDER A CONTRACT FOR SERVICES

- 11.1 The Council does not generally support engaging individuals under a 'contract for services' where the Council is not required to make either pension or national insurance contributions for such individuals as it supports the Government's commitment to tackling all forms of tax avoidance and recognises that public appointments that involve arrangements whereby savings in tax and National Insurance contributions are made may be at the expense of other taxpayers or other parts of the public sector. However there may be exceptional circumstances where engaging an individual under these terms is the most effective and efficient way of meeting the Council's needs. If this situation applies formal approval will be sought from members in relation to posts subject to the Officer Employment Procedure Rules ¹⁸ and from the Chief Executive (in his/her role as head of the paid service) in respect of other posts and individuals will be sourced through an appropriate procurement process, including IR35 checks, and in accordance with the Council's Contract Procedure Rules which ensure the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

12. INCOME TAX AND NATIONAL INSURANCE

- 12.1 The Council does not enter into arrangements with individual employees to minimise their tax and national insurance contributions other than via salary sacrifice schemes in accordance with Her Majesty's Revenues and Customs (HMRC) rules.

13. USE OF AGENCY WORKERS

- 13.1 The Council does not generally support using agency workers. However there may be circumstances where engaging agency workers is the most efficient and effective way of meeting the Council's needs. If this situation applies, formal approval will be sought from the relevant Assistant Director. Agency workers operating in the Council will be remunerated at JNC for Government Services spinal column point 3 (equivalent to £18,065 per annum, £9.36 per hour) initially and at least the pay of comparable employees after 12 weeks of qualifying service.

14. APPRENTICES

- 14.1 Apprentices are paid the appropriate national minimum wage (depending upon individual circumstances).
- 14.2 Employees with substantive jobs who undertake apprenticeships within their current duties and responsibilities will continue to be paid in accordance with their contract of employment.

15. USE OF ZERO HOUR CONTRACTS

- 15.1 The Council does not generally support the use of zero hour contracts and has acted to end such contracts, with the exception of where an individual employee has specifically requested to remain on such a contract. There may be circumstances where an individual employee requests the use of a zero based hour contract. The Director of Finance and Policy **must** consult with the Chief Executive and Chair of Finance and Policy Committee before the use of any such contracts are approved. Where employees are employed on a zero hour contract they are employed on a permanent or fixed term basis, are entitled to request a review of their contracted hours at any time after six months in post and are not prevented from working for other employers.

16. CONTRACTORS

- 16.1 The Council requires that contractors comply with the national minimum wage and national living wage legislation. All new and extended Council contracts are encouraged to pay JNC for Government Services spinal column point 3 (see 9.1 above) and avoid the use of zero hour contracts (see 15.1 above).
- 16.2 The Council will encourage all local employers employing 250 or more employees to publish their pay multiple.

**HARTLEPOOL BOROUGH COUNCIL
("HBC")**

INDEPENDENT REVIEW

OPINION

INTRODUCTION

1. I am instructed to conduct an Independent Review for HBC. This arises in the following way:-

- (1) HBC received a standards complaint ("the Complaint") against one of its Councillors, Tony Richardson ("CTR");
- (2) HBC's Deputy Monitoring Officer ("the DMO") was appointed as the Investigating Officer;
- (3) The DMO prepared a Report ("the Report") for HBC's standards committee, the Audit and Governance Committee ("the AGC");
- (4) The Report was agreed by CTR;
- (5) He accepted that he had breached HBC's Code of Conduct ("the Code");

- (6) The AGC recommended sanctions and referred the matter to Full Council;
 - (7) Full Council has deferred consideration of proposed sanctions until the outcome of a police investigation; and
 - (8) Full Council has asked for there to be an Independent Review.
2. I am now asked to review the process and procedures followed in the:-
- (1) Investigation; and
 - (2) Determination;

of the Complaint, with particular regard to whether they were biased or unfair.

LEGISLATIVE FRAMEWORK

3. Chapter 7 of Part 1 of the Localism Act 2011 (“LA 2011”) relates to Standards. HBC is a “relevant authority”.
4. Section 27 of LA 2011 is headed “Duty to promote and maintain high standards of conduct”. Subsections (1) and (2) provide (emphasis added):-

“

- (1) A relevant authority must promote and maintain high standards of conduct by members and co-opted members of the authority.
- (2) In discharging its duty under subsection (1), a relevant authority must, in particular, adopt a code dealing with the conduct that is expected of members and co-opted members of the authority when they are acting in that capacity.”

5. The purpose of a Code is therefore to promote and maintain high standards of conduct; and to strengthen in some respects the regime to govern standards set out in the Local Government Act 2000: see Hussain v Sandwell MBC (2017).

6. Section 28 is headed “Codes of Conduct”. Subsection (1) provides that a relevant authority must secure that a Code adopted by it under Section 27(2) is when viewed as a whole consistent with the seven Nolan Principles on Standards in Public Life, that are there set out, the ethical standards expected of public office holders.

7. Important provision is also made in Section 28 of LA 2011 for:-

- (1) “Arrangements”; and
- (2) “Independent Persons”.

THE STARTING POINT

8. HBC duly has:-

- (1) Its Code; and
- (2) Statutory “Arrangements” for dealing with standards complaints against Members (“the Arrangements”).

DOCUMENTATION

9. I have been provided with:-

- (1) The Code;
- (2) The Arrangements;
- (3) The Report;
- (4) The Minutes of the AGC Meeting on 20 January 2020;
- (5) The AGC Decision Notice on 3 February 2020;
- (6) The Full Council papers for its Meeting on 20 February 2020; and
- (7) E-mails with Cleveland Police

BACKGROUND

10. CTR has a Facebook Account as an HBC Councillor. He uses it to communicate with residents and other councillors. When he uses it that is in his official capacity. There is no issue in that respect.

11. The Complaint:-

- (1) Was made by another Councillor; and
- (2) Concerns posts that CTR had shared on this Facebook Account, which are alleged to be racist and offensive.

12. CTR:-

- (1) Agreed the Report and its contents; and
- (2) Apologised.

13. The AGC:-

- (1) Had the Code before it;
- (2) Considered the Report; and
- (3) Went on to consider the available sanctions.

14. The AGC:-

- (1) Was attended by a statutory Independent Person;
- (2) Had an Independent in the Chair;
- (3) Has a membership which is politically balanced, in accordance with the Local Government and Housing Act 1989 and Regulations thereunder; and
- (4) Was unanimous.

15. The AGC made Recommendations to Full Council about:-

- (1) CTR's membership of Committees; and
- (2) Censure.

16. There has been liaison with Cleveland Police in relation to the question of hate crimes by CTR.

17. HBC is to have Elections in May 2020. A "purdah" period begins before the end of March 2020. CTR's current term of office will terminate with the Elections.

POLICE COMPLAINT

18. In my opinion, it is not appropriate to delay further on account of the Police hate crime investigation.

THE CODE

19. The Introduction to the Code states;-

““This Code of Conduct is a key part of the Authority’s discharge of its statutory duty to promote and maintain high standards of conduct by its Elected Members ... The code is part of the Council’s Constitution and is to be considered in conjunction with other Codes of Conduct included in Part 5 of the Constitution, ...

This Code applies to you as an Elected Member of Hartlepool Borough Council and when you act in your role as an Elected Member it is your responsibility to comply with the provisions of this code. ...

You are a representative of this Authority and the public will view you as such. Therefore your actions impact on how the Authority as a whole is viewed and your actions can have both positive and negative impacts on the Authority.”

19. Section 2 of the Code incorporates the Nolan Principles of Public Life, including “Respect for Others”, as follows:-

“Members should promote equality by not discriminating unlawfully against any person and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the Authority’s Statutory Officers and its other employees.”

20. The Code continues:-

“As a Member your conduct will in particular address the statutory principles of this Code of Conduct as set out above by:

...

- Always treating people with respect, ...”

21. The Code sets out “General Obligations”, as follows:-

“1. When acting in your role as a Member of the Authority

1.1 You must treat others with respect.

1.2 You must not conduct yourself in a manner which is contrary to the Authority’s duty to promote and maintain high standards of conduct amongst its Members. ...”

THE ARRANGEMENTS

22. HBC's Arrangements duly address, amongst other matters:-

- (1) Whether a complaint will be investigated;
- (2) How an investigation is conducted;
- (3) What happens if the Investigating Officer concludes that there is a failure to comply with the Code, namely (i) Local Resolution or (ii) Local Hearing;
- (4) What action the AGC can take; and
- (5) Who is the Independent Person.

THE COMPLAINT

23. The Complaint focussed on the following:-

"I took my dog to the dole office to see what he was entitled to. The bloke behind the counter said, "You idiot, we don't give benefits to dogs." I argued, "Why not? He's brown, he stinks, he's never worked a fucking day in his life & he can't speak a fucking word of English." The man replied, "His first payment will be on Monday."

24. There were three other similar shared posts in evidence.

THE INVESTIGATION/REPORT

25. The Report, amongst other things, duly sets out:-

- (1) The assessment criteria;
- (2) What the DMO had regard to;
- (3) The relevant legislation;
- (4) The Code;
- (5) CTR's responses; and
- (6) The Independent Person's view.

26. The Investigating Officer's findings included that:-

- (1) The facts alleged were largely accepted by CTR;
- (2) He did share the four posts on his Facebook Account;
- (3) He now accepts that the contents of them had clear "racist connotations";
- (4) He accepts that the sharing of these posts (i) would likely cause offence and (ii) is a breach of the Code;

- (5) It is of “significant concern” that CTR had shared these posts whilst claiming to have no insight into their meaning;
- (6) The matter is not capable of Local Resolution;
- (7) It should be considered by and determined by way of a Local Hearing, in accordance with paragraph 8.2 of the Arrangements;
and
- (8) The AGC should consider all available sanctions.

THE INDEPENDENT PERSON

27. The Independent Person was duly consulted. She expressed the following initial view:-

“That is vile and offensive. Hate speech in any one’s opinion. Definitely against the Code of Conduct I would have thought. Not upholding decent standards in public office at all.”

28. She fully concurred with the findings and recommendations of the Report.

THE AGC

29. The AGC considered the Report from 2.0 pm to 3.30 pm on 22 January 2020.

30. Its Decision is recorded as follows:-

“On 22 January 2020 a Hearing of the Council’s Audit and Governance Committee considered a report, dated 13 January 2020 from the Deputy Monitoring Officer, concerning the alleged conduct of Councillor Tony Richardson, following the receipt of a complaint.

The complaint had been received from Councillor Black on 31 December 2019 and related to a series of Facebook posts that had been shared by Councillor Tony Richardson on his Facebook account. The posts that had been shared were of a racially offensive nature.

It was therefore alleged that Councillor Tony Richardson’s behaviour had breached the Code of Conduct for Elected Members and Co-opted Members as contained within part 5 of the Council’s Constitution. In particular it was alleged that Councillor Tony Richardson had;

- failed to demonstrate Objectivity in that he had demonstrated both discrimination and bias towards a proportion of the community
- failed to demonstrate leadership in that he had failed to exhibit the Nolan principles in his own behaviour
- failed to demonstrate respect for others and in particular those of the Islamic faith and immigrants
- brought the reputation of the Council and his political group into disrepute
- caused embarrassment and offence to the whole community and in particular the subjects of the offensive posts

Decision

... the Audit and Governance Committee considered the verbal and written representations of the Deputy Monitoring Officer (as Investigating Officer) and Councillor Tony Richardson. Councillor Tony Richardson had acknowledged that the posts in question were racially offensive, he accepted that he had shared them and he agreed that in doing so he had breached the code of conduct as had been alleged. In light of the agreed facts of this case no additional witnesses were called to give evidence.

Councillor Richardson, without accepting that he had shared the posts claimed to have had no insight or understanding into the

meaning of the said posts. The Assistant Chief Solicitor's view was that a councillor who uses Facebook must ensure that they are able to use it competently and in full knowledge of what it is that they are doing. Social media is fundamentally about sharing content and creating conversations in an open and transparent forum. Councillor Tony Richardson's posts can be viewed by many other users and inappropriate content compromises his position as a councillor and the reputation of the Council as a whole.

The committee was, therefore, requested to consider the imposition of all sanctions available in law, which include:

- To publish its findings of Councillor Tony Richardson's conduct
- To report the findings to Full Council and for Full Council to consider both censure and the removal of the Councillor from all outside appointments;
- To recommend to the Councillor's group leader that he be removed from all committees and sub-committees of the Council;
- To instruct the Monitoring Officer to arrange for both diversity and social media training for the Councillor;
- To instruct the Monitoring Officer to arrange for both diversity and social media training for the Councillor;

- To withdraw facilities provided to the member by the Council such as computer, e-mail and internet access; and
- To exclude the councillor from all Council offices and premises with the exception of those necessary for attending meetings to which he is entitled to attend.

Members wished to thank Councillor James Black (whose attendance had been excused) for bringing the posts to light but were concerned that despite them having been shared quite widely, no one else had brought them to the Council's attention.

Councillor Tony Richardson addressed the Committee stating that he was extremely sorry for any offence he had caused and he was not a racist person. In mitigation, he stated that he was very illiterate with computers and had not realised the consequences.

Members acknowledged that Councillor Tony Richardson may have difficulties with computers but could not accept that he had not known that he was sharing offensive posts. Members expressed their concern that the Facebook posts reflected extremely badly on the Council as a whole. Members considered that, at best, the sharing of these posts had shown significant carelessness and naivety.

In reviewing the Code of Conduct, the Committee was of the view that there had been a serious breach of all elements of the code and that the six sanctions set out in the Assistant Chief Solicitor's report should be applied. The Committee went further in agreeing that they considered the breaches of the Code of Conduct so

severe that Councillor Tony Richardson should have resigned his position as an elected Councillor for Hartlepool in order to protect the reputation of the Council as a whole.

Actions

The committee was satisfied Councillor Tony Richardson had seriously breached the majority of the Code and in particular:

- Councillor Tony Richardson has not demonstrated Objectivity in that he had demonstrated both discrimination and bias towards a proportion of the community
- Councillor Tony Richardson has not demonstrated leadership in that he had failed to exhibit the Nolan principles in his own behaviour
- Councillor Tony Richardson has demonstrated a lack of respect for others and in particular those of the Islamic faith and immigrants
- Councillor Tony Richardson has brought the reputation of this Council and your political group into disrepute.
- Councillor Tony Richardson has caused embarrassment and offence to the whole community and in particular the subjects of his offensive posts.

The committee carefully considered all of the sanctions that were available to it. Consideration was also given to the representations

that Councillor Tony Richardson made. The Committee unanimously agreed that:

- The findings of this committee must be published to ensure transparency.
- The findings of this committee should be reported to full council at the next opportunity.
- Full council should censure Councillor Tony Richardson and issue a formal statement condemning his actions to make it clear that his actions are not representative of this council or the community that it represents. Full Council should ask Councillor Tony Richardson to consider resigning.
- Full council should consider removing Councillor Tony Richardson from the outside body appointment to the Local Joint Consultative Committee.
- A recommendation should be made to the leader of the Brexit Party and Conservative Coalition that Councillor Tony Richardson be removed as a member from the Licensing and Planning Committees forthwith. Furthermore, it is recommended that Councillor Tony Richardson should not be permitted to attend any committee as a substitute member. This sanction should last for the remainder of Councillor Tony Richardson's current term of office. Councillor Tony Richardson has demonstrated a clear prejudice and bias towards a

proportion of the community and this raises questions surrounding his objectivity when making decisions.

- The Monitoring Officer should arrange for both diversity training and social media training for Councillor Tony Richardson to attend and this training should be made available to all Councillors.

The Committee expressed its surprise that Councillor Tony Richardson had not yet resigned from the council and requests that he consider doing so. The committee also expressed its frustration at the sanctions that were available to it as it did not consider that they were sufficient in these circumstances.”

DISCUSSION AND CONCLUSIONS

31. It is apparent that:-

- (1) The Investigating Officer and the AGC have proceeded on the basis of the Code and the Arrangements;
- (2) The Independent Person has been appropriately involved;
- (3) The Investigating Officer and the AGC came to conclusions that were reasonably open to them;

- (4) Indeed it could not reasonably have been concluded that there was no breach of the Code;
 - (5) It was proper to proceed on the basis that breach of the Code was not in issue and that the sole question was as to sanctions;
 - (6) The proposed sanctions are not disproportionate; and
 - (7) The motivation of the complainant is irrelevant.
32. I find no flaw in process or procedure.
33. There is no basis for inferring any actual or apparent bias on the part of the Investigating Officer or the AGC.
34. There is no indication of any unfairness on the part of the Investigating Officer or the AGC.
35. There is no reason for Full Council not to proceed with consideration of sanctions.

11 King's Bench Walk
Temple EC4Y 7EQ

goudie@11kbw.com



JAMES GOUDIE QC
27 February 2020


HARTLEPOOL BOROUGH COUNCIL
("HBC")

INDEPENDENT REVIEW

OPINION

JG

27/02/20

Hartlepool Borough Council